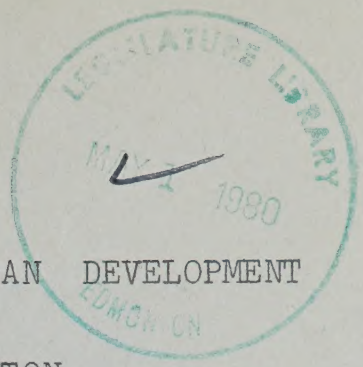
CA2ALZ 1
54M22C
Vol 16



ROYAL COMMISSION ON METROPOLITAN DEVELOPMENT

OF CALGARY AND EDMONTON

COMMISSION MEMBERS

Dr. G. Fred McNally, Chairman.
Mr. G.M. Blackstock, Q.C.
Mr. I. C.Robison.
Mr. C. P. Hayes,
Mr. P. G. Davies, Q. C.

Dr. H. B. Mayo (Consultant)

Mr. Wm. McGruther, Secretary

P R O C E E D I N G S

held before Royal Commission, at the Court House, in the City of Calgary, in the Province of Alberta.

SESSION - 27th January, 1955

VOLUME 16

I N D E X

VOLUME 16

27 JANUARY 1955.

Page

W I T N E S S E S

Graham, I. H.

Examination by the Chairman,..... 2044
Examination by Commissioner Blackstock,.... 2046
Cross-Examination by Mr. Brown,..... 2047
Cross-Examination by Mr. Bredin,..... 2053
Cross-Examination by Mr. Martin,..... 2055
Examination by Commissioner Robison,..... 2056
Examination by Commissioner Blackstock,.... 2063
Examination by Commissioner Hayes,..... 2064
Examination by Commissioner Robison,..... 2069
Examination by Commissioner Davies,..... 2070
Examination by Commissioner Hayes,..... 2071
Examination by Commissioner Davies,..... 2074

McPherson, R.C.

Direct Examination by Mr. Steer,..... 2076
Cross-Examination by Mr. Bredin,..... 2082
Cross-Examination by Mr. Woodford,..... 2087
Cross-Examination by Mr. Bredin,..... 2090
Cross-Examination by Mr. Mackintosh,..... 2091
Cross-Examination by Mr. Brown,..... 2092
Cross-Examination by Mr. Martin,..... 2094
Examination by Commissioner Blackstock,.... 2096
Examination by Commissioner Robison,..... 2097
Examination by the Chairman,..... 2099
Examination by Commissioner Blackstock,.... 2100
Examination by Commissioner Davies,..... 2100
Examination by Commissioner Hayes,..... 2105

Davis, E. H.

Examination by the Chairman,..... 2113
Examination by Commissioner Davies,..... 2118
Examination by Commissioner Robison,..... 2120
Examination by Commissioner Blackstock,.... 2121
Examination by Commissioner Robison,..... 2122
Examination by Commissioner Davies,..... 2128
Examination by Commissioner Blackstock,.... 2131
Examination by Commissioner Hayes,..... 2132

I N D E X cont'd

WITNESSES cont'd

Page

Brown, G. M.

Examination by the Chairman,..... 2135
Cross-Examination by Mr. Martin,..... 2148
Examination by Commissioner Robison,..... 2152
Cross-Examination by Mr. Mackintosh,..... 2154
Examination by Commissioner Robison,..... 2161
Cross-Examination by Mr. Mackintosh,..... 2160
Examination by Commissioner Brownlee,..... 2162
Cross-Examination by Mr. Bredin,..... 2163
Examination by Commissioner Blackstock,... 2165
Cross-Examination by Mr. Bredin,..... 2166
Examination by Commissioner Robison,..... 2167
Examination by Commissioner Hayes,..... 2168

E X H I B I T S

Exhibit Number 63-C
Brief of Property Owners' Association of Calgary,..... 2044

Exhibit Number 64-C
Brief of Canadian Western Natural Gas Company Limited,..... 2076

Exhibit Number 65-C
Report on Elbow Valley Townsite,..... 2113

Exhibit Number 66-C
Brief of Community Planning Association of Canada (Calgary Branch),..... 2136

VOLUME 16.

MORNING SESSION.

27 January 1955.

THE CHAIRMAN: Now, then, gentlemen, if you are ready to begin the day's Sitting, the first on the list is the Property Owners' Association of Calgary. Are you going to represent them, Mr. Graham?

MR. GRAHAM: Yes, sir.

THE CHAIRMAN: Please come forward.

IRVINE HENRY GRAHAM, having been first duly sworn, testified as follows:

THE CHAIRMAN: This brief will be numbered 63-C.

BRIEF OF PROPERTY OWNERS' ASSOCIATION OF CALGARY MARKED EXHIBIT 63-C.

Q THE CHAIRMAN: Well, then, Mr. Graham, you may proceed.

A Well, Mr. Chairman, the representation of our Association is from those who pay the taxes, and our contention is that we do not object to bringing these outside areas into the City but our contention is that no extra taxes should be imposed on the residents of the City or on the real property of the City because or by reason of this annexation.

COMMISSIONER ROBISON: I think Mr. Graham should read

VOLUME No.

MORNING SESSION.

27 January 1955.

THE CHAIRMAN: Now, then, gentlemen, if you are ready to begin the day's hearing, the first on the list is the Property Owners' Association of Calgary. Are you going to represent them, Mr. Trimble?

MR. GRAHAM: Yes, sir.

THE CHAIRMAN: Please come forward.

DAVID HENRY GRAHAM, having been first duly sworn, testified as follows:

THE CHAIRMAN: This brief will be numbered 63-C.

BRIEF OF PROPERTY OWNERS' ASSOCIATION OF CALGARY NUMBERED EXHIBIT 63-C.

Q. THE CHAIRMAN: Well, then, Mr. Graham, you may proceed.

A. Well, Mr. Chairman, the representation of our association is from those who pay the taxes, and our concern is, what we do not object to industry where outside areas into the city but our concern is that no excess costs should be imposed on the residents of the City or on the real property of the City because of by reason of this annexation.

MR. CHAIRMAN: Q. Graham, you may read

this submission in its entirety.

Q THE CHAIRMAN: You might, please, read it all.

A Well, the second part is that in municipal affairs the School Boards should be directly responsible to the property taxpayers for the expending of money, particularly when they go beyond their legitimate needs or spend money for unnecessary frills. And the other one, with regard to the spending of money by City Council the Association believes that the spending powers of the City Council should be curtailed rather than extended and that any unusual spending should be submitted to the taxpayers in the form of a plebescite.

Q And you do not wish to make further comment on the three statements, except as may come up?

A Yes, I would, if I was permitted to, sir.

Q Perhaps it will all come out in the cross-examination; if not, then you may make a supplementary statement. It is our habit to invite questions from the floor first, and in the event of there being no questions, or at the conclusion of the questioning, then members of the Commission may take over.

Q MR. G. A. BROWN: Mr. Graham, you claim to represent the taxpayers of the City of Calgary?

A Yes.

Q How large is your Association, Mr. Graham?

A Well, we have members of our Association as home owners, who own their own individual homes, we also have members

Digitized by the Internet Archive
in 2021 with funding from
Legislative Assembly of Alberta - Alberta Legislature Library

https://archive.org/details/ableg_33398002073210_0

who own their own home and other property besides their own home.

Q THE CHAIRMAN: The question is, how large is your Association, that is, in numbers?

MR. BROWN: I want to know the membership, the number of members.

THE CHAIRMAN: Not the character of the members.

MR. BROWN: I do not mind if he answers that now.

THE CHAIRMAN: You are content with the answer?

MR. BROWN: If he continues, yes.

Q THE CHAIRMAN: Go ahead.

A MR. GRAHAM: And there are also business firms, large taxpayers of this City, that are supporters of our Association.

Q COMMISSIONER BLACKSTOCK: Just a minute. Are they members of your Association?

A Yes.

Q What is it, supporters?

A Well, members and supporters.

Q How do they support you?

A By contributions.

Q Come back to the original question. How many members are there in your Association, 5, 10?

A The number of members is in a state of flux. It is impossible for me to give you the exact number of

members of the Association.

Q MR. BROWN: Would you say there are 150 members in your organization, Mr. Graham?

A No, I would say there are more than that.

Q 200?

A I can not give you the exact number, sir.

Q There are quite a number, though, who do own rental property?

A Yes.

Q You will recall that I have spoken at your organization's meetings?

A Yes.

Q In this period of rental controls, how did you find the situation at that time as far as your properties were concerned? What I am trying to get at is, Mr. Graham, you see, this Commission is investigating the fringe development around the City of Calgary. We are trying to find reasons and causes for the movement of these people from the city environments to the outside fringes. Now, to get at this question, I want you, if you possibly can, to tell the Commission some of those things that came about, and I am quite sure you are acquainted with them, in the rental field that could possibly be one of the causes, at least, one of the factors, that created this need for the people to go outside of the City and acquire other rental property or to build homes. Now,

what was the situation during the rental control period? Were there many places for rent? If you could possibly give us the ranges of rent prices and so forth and so on we would be glad to hear it.

A Yes, I'll do my best, Mr. Chairman, to answer that question. The Federal Rent Control put the rent control on Calgary and Windsor, Ontario, first before any other places in Canada. The other places did not go on until October 10th, 1941. Now, owing to the fact that the Rent Control was placed on Calgary and Windsor first of all of all the places in Canada, had a tendency to discourage the building of rental accommodation for those cities, and the result was accommodation was very scarce, and what you might call the lid was placed on the incentive to build rental accommodation in those cities. Edmonton did not go on until October 10th 1941, and the result was that there was an excessive scarcity of rental accommodation. The Rent Control made it that places were fixed at a level as of January 1st, 1940, and any increases that came on since then were retroactive and they had to be placed back to the original amount and there was a definite restriction of rental accommodation.

During the period from 1940 to 1946, about, or 1947, in 1947 they made another law that any new apartment built would be free of rent control, and that had some stimulus to the building of apartments after that date, but I would say that the rent control

gave very cheap rent to the people but it has the disastrous effect of preventing people, or killing the incentive to build accommodation. The Government to some extent built War Time houses to cover up that scarcity, but they found it was impossible for them to cope with it and there was just a terrific scarcity.

The fixed rental has another undesirable effect, because a landlord who had a 4-room suite, well, he would pick out the tenant that would do the least damage to that suite, and he did not get any more no matter who he rented it to, so when it became empty he would rent it to an elderly couple who didn't have children, or a party with two or three youngers came along to get accommodation they were out of luck, they couldn't get it, so the result was they would go to Montgomery. There was the chance there of builing cheap houses, and I think the answer to Mr. Brown's question is it had the effect of pushing people out of the city before there was a necessity for it, but I suppose they would go anyway, but I have tried to answer your question, Mr. Brown.

Q You haven't touched on the rent ranges, Mr. Graham.

A Well, yes, I did. I said that the rentals were fixed as of 1940.

Q I am talking about figures, now, dollars and cents, we will say, for a 2-bedroom suite in a rental apartment, what would be the rent at that time?

A Well, I would point out, Mr. Brown, that the Rent Control still exists. I am renting a 4-room suite right now for $35.00 a month right in the City. I am paying the utilities. There is a family in there with two children, there is two bedrooms, that would be $35.00. Now, I have had a 10% increase and a 20% increase. It was about $22.00 or somewhere around there before that.

Q Was that the floor or ceiling in rents at that time?

A That was the ceiling.

Q For that apartment?

A Yes.

Q I am speaking of the over-all picture now. Surely there were 4-room suites renting for more than $22.50 or even today at $35.00?

A No. There was an 11-room house rented for $15.00 a month.

Q You are staying on the floor. Give us the ceiling?

A Do you mean after it came off rent control?

Q No, I am quite sure they weren't all fixed at the one range.

A No. Oh, I suppose a 4-room suite, I don't think there were very many renting for more than $35.00 or $40.00 a month under the Rent Control.

Q Thank you, Mr. Graham. Now, as to conditions between tenant and landlord, what was the situation there? The point I am trying to get at is this: The whole trend in Montgomery, and some of the briefs have emphasized it here because I have listened to most of them, I think all

of them, in this session, the general trend shows that those with families that live in the fringe areas, a preponderance of them, have children. Now, what was the situation in Calgary, if you can tell us, as regards renting suites with children in the family? I realize it is rather a pointed question, Mr. Graham, but I would like your reaction to it.

A Well, as I pointed out to you before, when a suite was fixed at a certain rental and that rental was below the actual cost of the suite, or what it would be if the Rent Control was not on, the tendency was for the landlord to rent it to a party who would do the least damage to the suite. There was decorating cost, they had gone up with everything else. As a matter of fact, for a long period of time there the Rent Control was the only kind of a control that was on anywhere, everything else was exempt. That meant a minority group that sustained losses whereas everyone else and every other kind of business was carrying on and getting what you might call demand-and-supply prices, excepting that one field. The tendency was for the landlord to do the best he could with what he had. The result was that the Rent Control directly militated against the ability of people with children to get suites. I say that in all sincerity, and that was the direct result. You see, if a person got into a suite and they took a dislike to you, they could ruin that suite. I have had instances, and lots

of people have had, where people got drunk, knocked the plaster off of the walls, tore the chimney down, and did all the things they did at No. 2 Wireless for the City. You would have to fix it up and pay the prevailing prices and when you re-rented it you would rent it at exactly the same price as you did before, and naturally, you would rent to the people you thought would do the least damage to it.

Q But children do not ordinarily get drunk, Mr. Graham?

A No, I know that, but in the new psychology you should not restrain children, if you restrain them they develop an inferiority complex. The result was if Johhny wanted to write on the wall, he should not be restrained from writing on the wall.

Q You are telling the Commission the investment of the property owners was jeopardized by the inclusion of children in the suite?

A No, by rent control. Under the law you could not say to a man and wife and two children -- I believe myself that a man and wife and a child is a better potential tenant than a man and wife because they have a tendency to indulge in drunkenness more than a party is with a child, but then you were not allowed to take caution money, you could not say, "If you give me $25.00 caution money so that if there is any damage in the suite while you are there it will help fix it." They wouldn't allow you to do that under Rent Control.

Q In other words, you say that children were generally accepted by property owners in the City, that is, rental property owners?

A They are now, since rent control is off.

Q I am talking about the development of this fringe movement.

A Certainly, during the Rent Control period it was difficult for people with children to get suites.

Q All right, thank you, Mr. Graham. Thank you, Mr. Chairman.

Q MR. BREDIN: Mr. Graham, are you aware that under the School Act the property owners -- I have forgotten the number, either 150 or 200, I am not sure, -- may demand a plebescite before any school construction takes place?

A No, I didn't know about it. I do not think it has ever been invoked here. There has been a lot of complaint in the press and other places that the School Board just tells the City Council what it wants and the City has to give them what they want.

Q Have you not seen the advertisements appearing in the press saying a certain school will be constructed unless this number of ratepayers ask for the plebescite or money bylaw?

A No, I haven't, sir.

Q Tell me, Mr. Graham, what do you refer to in the way of frills on the schools that you say are costing too much?

A Well, for example, in the past few years in Calgary here there has been quite a splurge in gymnasium building. It

was a good idea to build classrooms before gymnasiums, because they figure classrooms should come first. But frills, it would be a good thing for schools to more or less stick to a substantial building, an economic building, because what is the good of a nice fancy school to a taxpayer who has difficulty paying his taxes or boosted out of his home because he can not pay his taxes.

Q Is there anything besides gymnasiums that you feel are unnecessary?

A Yes. The tendency has been for the new school to be built in the most expensive manner. I mean, you do not have to have architectural knowledge or engineering to know that a school built on the ranch style is more expensive than a two or three storey school. In the new districts type of school they are building, certainly in our estimation, a very, what you might call, extravagant school. We figure it is an extravagant type of school. I do not know why they build them ranch style, because it is a fad or for some other reason, fire hazard or something like that, but I had to go to school in schools that had several storeys and we had our fire escapes and fire drill. We felt it was more or less safe. Naturally, the school with two or three storeys would be a much cheaper school, and I think they would learn just as effectively there as they would in the ranch style school.

Q Are you familiar with the costs on this new Spruce Cliff

school about which we have heard so much?

A I read about it, yes.

Q Do you approve of that type of construction?

A I don't know enough about the details, sir, and I wouldn't like to make a statement on that. I would have to investigate it thoroughly.

Q How many persons would you say attend your meetings, on the average?

A Oh, it varies. With television now it will be a lot less. Public meetings are a difficult thing. We have had 250 at our meetings and down to 40 or 50.

Q Would 50 be about an average attendance?

A No, I believe about 100, 75.

Q I think you agree with me when I say there are over 30,000 taxpayers in the City of Calgary?

A Yes. Well, we wouldn't expect to get 30,000 out to a meeting.

Q But you have to concede, Mr. Graham, that your membership does not represent a very large percentage of the total population?

A We feel that our voice represents the concensus of opinion of the taxpayers of the City.

Q I think that is all I have.

Q MR. MARTIN: Mr. Graham, you said naturally it costs more to build the ranch type of school. By that, you mean the single storey versus a two or three

storey school. Have you any figures to support that?

A No, I haven't. I will say from general knowledge, though, that it is the same with a house. A ranch style house is much harder to heat than a house with three storeys.

Q A three-storey house is a different story to a three-storey school because if you go into a three-storey school you go into concrete or steel construction. I doubt very much if any saving could be made by three-storey schools because generally speaking the type of construction is not as elaborate as it would be in a two or three storey structure. That is all I wanted to say.

THE CHAIRMAN: Now, may we have some questions from the Commission? Mr. Robison?

Q COMMISSIONER ROBISON: Mr. Bredin has dealt with the size of the organization. I was going to ask about that. This presentation to the Royal Commission, Mr. Graham, was this based on a regularly called meeting?

A Yes.

Q Notice was given at the meeting?

A Well, it was a directors' meeting, not a public meeting, the directors of the association.

Q How many directors were present?

A Ten.

Q I take it that this presentation was not submitted to your membership, then?

A Well, we did contact a number of our members and asked

them about it by phone and word of mouth.

Q It was not submitted formally?

A No.

Q So that it represents the thinking of ten directors, that is correct, isn't it?

A Yes.

Q Now, under No. 2 you say that School Boards should be directly responsible to the property taxpayers. Has your organization made any study of the county system or the County Act?

A No, we haven't. We have gone by what we see in the press, and we see the complaint from the City Council that the School Board has a tendency to be dictatorial, they say what they want and the Council has to give them what they want. We have heard that complaint for a period of time and we think that School Boards should have the opportunity of deciding what they want, but there should be some method or system whereby they feel a responsibility towards the taxpayers. They do not run up against the problem like the Council does of determining the mill rate and the reaction there is about this mill rate, and the result is they can hide behind a fence and the slings and arrows that come from the taxpayers do not light on the School Board members at all. It seems that they are protected. There should be some system worked out providing the School Board members do feel a definite reaction about spending money

and the collecting of money, because, you see, the majority, the large proportion of tax money is school money, and it falls right on the real property.

Q Well, Mr. Graham, you are aware, of course, that the School Boards are elected and are responsible to their constituents, is that not a fact?

A Yes.

Q They are independently elected and the people have to be satisfied with the majority, or they can throw them out and put in another School Board, can not they?

A Yes.

Q Therefore the remedy is always in the hands of the taxpayers in that manner, is that not so?

A Yes or no. Whenever you elect a man to a political position that should not exempt that person from all responsibility about spending money. Even City Council, they are elected, and in political positions where an individual is elected by vote should not mean that that person gets into power and can go hog-wild on spending. He should have a reaction to his actions and he should have them immediately, even when he is in power and elected.

Q Has your organization made any study of the spending habits, or history, or practices of the School Board in the City of Calgary? Have you made any formal study of it?

A No, we did not go into any formal studies. We go by what we see in the press, and by editorials, and we use the

general knowledge. We do not propose to make a detailed study of that.

Q Do you attend School Board meetings?

A Sometimes, but we figure that the School Board meetings, we have found that when we attend meetings, we read the newspapers next day to find out what happened, because it is difficult to follow what happens by attending a meeting.

Q All right, let us come down to another matter. Mr. Bredin asked you about unnecessary frills. You say here under No. 2:

> "In municipal affairs School Board should be directly responsible to the property taxpayers for the spending of monies particularly when they go beyond their legitimate needs....."

Whose standard is to be applied to the "legitimate needsQ of the School Boards? The standards of the Property Owners Association?

A No, we are not stipulating any particular things.

Q Whose standards would be applied? Who would determine what are legitimate needs, the elected representatives or the people or who?

A Well, I think the legitimate needs -- do you want me to define what I think "legitimate needs" would be?

Q Well, who are the authorities to define what those legitimate needs are?

A Well, I don't think that that is a problem for our

Association. That is a statement we make and those in authority should decide on the legitimate needs.

Q Well, then, you agree that the School Board is the authority to decide what are the legitimate needs in this area, is that correct?

A Yes.

Q That is fine. Now, No. 3, which deals with the spending of monies by the City Council. You say that the spending powers of the City Council should be curtailed rather than extended. I ask you if you or anyone in your Association, your legal advisor, or anyone else, has made a study of the fiscal powers under the City Act, or are you going on newspaper reports? Are you familiar with the provisions of the City Act with respect to the spending powers of the City?

A Generally speaking, yes.

Q In other words, what you are then suggesting is that the City Act should be amended, is that correct?

A All I will say to that point is that there have been recommendations made to this Royal Commission already to have the spending powers of the City Council increased, and our view is that we do not think that is a good thing. We think that the City Council has to be responsible to the taxpayers and that it is not a good thing to give them too much spending power.

Q You would be in favour, I take it, or your Association,

in amending the City Act to curtail the powers of the City, is that correct?

A Well, --

Q You see, we can not, as a Commission, deal with broad statements, we have got to have some recommendations. We are all in favour of good as against sin, but if you are against the City's powers being extended, how would you amend the Act?

A Now, just let me clear my thoughts there, don't rush me. A representation has been made here to increase the ability of the City Council to spend money without the taxpayers' consent.

Q THE CHAIRMAN: You did not hear it and you did not know what was said, and I think I may follow that it did not appear in any brief, it was just a matter of discussion, and all you have to go by is what appeared in the press, which is not good enough insofar as this Commission is concerned. I think too much of your evidence is not based on proper study but based on hearsay, and I think your Association, if I might be so bold as to express an opinion, before it appears before a responsible Commission should have some definite facts and figures on which to base their conclusions.

Q COMMISSIONER ROBISON: I agree with what the Chairman has said. I will be quite frank with you, Mr. Graham, I do not think that your presentation or your evidence is

of any particular assistance to this Commission. I say that to you frankly. We have to have definite recommendations. We have got to know what we are doing. This business of unusual spending, what is unusual spending? How do you define it? Have you studied the situation in the City of Edmonton when you speak of City Councils? We have got to think of Edmonton, got to think of Calgary. Has your Committee made any study of the housing situation in this area? Have you made any study of it?

A Yes.

Q Have you got anything in writing to support your findings?

A What about housing? What are you referring to?

Q I am asking you, has there been a housing problem in the City of Calgary since 1949?

A Yes, there certainly has.

Q All right, and you say you have made a study of it. When was the study made?

A Well, at one time we had a questionairre in the paper about housing. That is quite a few years ago.

Q Would you be in favour of the Provincial Government entering the mortgage field, as was represented to this Commission yesterday? Have you thought about that?

A Well, I could not express -- I haven't talked to the other members of the Association about that because I haven't had a chance. I do not think it is right for me to give any opinion on that.

Q Well, I am concerned, as the Chairman has expressed it, and this is all I have to day, that you have come before this Commission and say it is recommended that the powers of the City Council, the spending powers, should not be extended. Now, I suggest to you that you read the transcript and find out what was said. I think you will learn that that was not the suggestion, it was dealing with a particular situation.

Q COMMISSIONER BLACKSTOCK: Mr. Graham, do you know that under the School Act the School Board has the right to build gymnasiums, woodworking shops, and give lessons in home economics?

A Yes.

Q And are those the three things that might be described as "frills", in your opinion? I will put it to you another way: Are you suggesting that this Commission should recommend to the Government that the power to build a gymnasium, provide woodworking tables and home economics should be taken away from the School Boards?

A Well, if they are considered as frills, yes.

Q No, you are the one that brought up frills. Do you consider those three things to be frills?

A Yes, I think the legitimate needs of the school are classrooms first.

Q And the rest are frills?

A Yes.

Q All right. Then are you asking this Commission to recommend to the Government that the School Act be amended to take away from School Boards the power to establish that type of education?

A No, I would say that the School Board should be able to get money from the City Council to build classrooms, but if they want anything beyond that then they should have to submit it to the taxpayers.

Q You have that right now, Mr. Graham, in Calgary about borrowing money either for schools or by the city. Do you know whether any safeguards exist to control the borrowing?

A Yes, I believe there are.

Q What are they?

A Well, I can not list them offhand.

Q No. That is all.

THE CHAIRMAN: Mr. Davies?

COMMISSIONER DAVIES: No questions, sir.

THE CHAIRMAN: Mr. Hayes?

Q COMMISSIONER HAYES: You say that rent control was from 1940 to 1946?

A No, rent control is still on. The Provincial Government still has rent control on.

Q From the Federal Government standpoint, were rent controls on from 1940 to 1946?

A No, from 1940 to 1951, April.

Q Dominion?

A Yes.

Q What increase would you say there are in rents since those Federal controls went off?

A Well, it would be very difficult to estimate, because since Federal rent control went off in 1951 the Provincial Government rent control came on immediately and took over where the Federal left off, and the rent control is still on.

Q Would you say that there was any increase in rents, then?

A Yes, because under the Provincial rent control as soon as the suite became empty it was automatically off rent control and the owner could put the rent up to the demand-and-supply level, but if the tenant remained in that same suite rent control still exists. I know of apartments that still have every suite under rent control the same as if the Dominion Government had it in 1940.

Q Well, let us take one of them that has to get empty, a tenant has moved out, what increases would you say there are in rentals to those people?

A I can give you specific instances but I can not give you the general all-over situation, but I would say I have known of instances where suites were rented under the Federal and had carried on into the Provincial for, say, a 5-room suite for $25.00 a month, well, that 5-room suite sometimes jumps to $75.00, sometimes more, sometimes a little less. There would be a 300% gain there.

Q Do you think that is legitimate?

A Yes, because the other businesses have jumped their increase in revenue from business to that extent as soon as the War Time Prices and Trade Board stopped in 1945, right as soon as the war was over, practically, but rent controls were kept on and other prices were kept exceptionally low, and the economic reaction to a thing like that is when anything is controlled -- if one article is controlled in price excessively long and all the other articles around it are allowed to increase in price, the demand for it increases, the incentive to produce it decreases with the result that the demand is pent up, and when the control is taken off the economic tendency is for that price to be excessively high, higher than other things around it than it would be if the control had been taken off when the control was taken off of the other things. Have you got what I mean??

Q What percentage of the rentals would you say were removed from rent control in 1951?

A April 30th, 1951, as soon as the rent control was forcibly taken off through a Supreme Court action of the Canadian Federation of Property Associations the Provincial Government took over, and there was no immediate jump in rents, but it was gradual, and as soon as the tenant moved out of a suite that was under rent control, it could be rerented at the demand-and-supply level.

Q Do you think this has a tendency of driving people out of the city to those surrounding fringe areas?

A The fringe area of Montgomery, as a gentleman here could back me up, I don't think it started -- let's see, Shouldice started about in 1946 and 1947. That gentleman there is from Montgomery. When did the building start in Montgomery, I mean, keep started building, and Shouldice, they called it Shouldice Terrace?

MR. SEQUIN: To my knowledge, sir, there never was any large corporation building in Montgomery, they are mostly all small buildings.

THE WITNESS: But when did it start?

MR. SEQUIN: I am not prepared to answer that question definitely. There had been development in Bowness and Montgomery. You can go back as far as 40 years ago. The bulk of construction started in Montgomery in about 1947.

Q COMMISSIONER HAYES: Were there any rental controls in Montgomery?

A Yes. No, any new construction after 1947 was free from rent control, but the building boom in Montgomery could not start very well until the supplies of lumber and building material was available, and that was the year that it was available and quite a bit of building was done after that time in 1947. Did you want to know if the rent control had anything to do with the extent of --

Q I am interested in knowing if the raising of rents in the City of Calgary was instrumental in having some of these people go out to Montgomery and other places to build homes?

A Yes, I think it did have some effect.

Q Would your Association accept any responsibility for that?

A How do you mean, the Association accept any responsibility for landlords raising the rent?

Q That is right.

A No. We did not dictate to our members that they should raise the rents. We feel they had been carrying on at a loss for a good many years and the rent control had had an effect of making it not worth while to own rental property, but then you were stuck because you couldn't sell it, nobody wanted it.

Q You feel they should have an opportunity to recover their losses?

A Well, that is always the economic reaction to any situation where a certain article is held below the legitimate price. The natural result is that when control is taken off that price is certainly going to get higher than it should have been in the first place, and that was the reaction and I suppose it did force a lot of people elsewhere for accommodation, and I think that had something to do with the pushing of housing to Montgomery, Albert Park, Forest Lawn, and Park Hill, other places on the out-

skirts of Calgary.

Q Now, approximately just what increase in taxes did you have in the City of Calgary during the period that rental controls were in effect?

A Oh, there was some increase but it wasn't very much. Oh, there was some increase.

Q Now, since that period, percentagewise what has the increase been?

A Oh, the increase has been more, it has been jumping up. Of course, you can not go by the mill rate necessarily because of the assessments.

Q Let us take the tax itself, never mind the mill rate.

A Well, it is a very complicated affair because your taxes increase accordingly, what you might call the utilities, if there is new sidewalks or new streets built that shoots your taxes away up. There has been a lot of construction in sidewalks and that, and it has pushed the taxes up rather unusually high. I should say that the taxes have been doubled, sometimes tripled, as a result of various mill rate increases, and utility increases.

Q COMMISSIONER ROBISON: And in some cases would you agree that the taxes have been lowered?

A No.

Q You would not agree with that. Do you agree that that could be demonstrated?

A It would be a very unusual demonstration. I do not know of any instances, and I am a taxpayer myself to a fair

extent.

Q Yes. But it just hasn't happened to you?

A It certainly hasn't.

Q What percentage would you say a man should have as a return if he built a house, say, for $10,000.00 and he proposed to rent it out, what is a reasonable return on his investment?

A Well, considering the risks of real estate and the probable, what you might call uncertainty of the future, I should think a man would be very foolish to build an apartment unless he could see his way clear to getting 10%, but I had an authoritative man from one of the big construction companies tell me that if they could see their way clear to making 5% on their investment in building apartments he said, "We would do nothing else, we would build apartments in any city in Canada if we could see our way to making 5% on our investment."

Q COMMISSIONER DAVIES: Is there depreciation on top of the 5% or 10% to which you refer? Do you understand what I mean?

A Yes.

Q When you say you should make 10%, that means that you have charged off taxes, you have charged insurance, it means you have made a reasonable allowance for repairs, redecorating over a period of time?

A Yes.

Q Then does it mean also that you put a rate down for

depreciation and charge that in as an expense?

A Yes.

Q And that is another expense item added on. And then does it mean that on top of that you get 10% on what is going to bring the total amount up to determine the total annual rent?

A Yes, that should be it, because of the uncertainty of the future and real estate.

Q Just a minute. I am not interested in that. I am not saying you should not, I am just trying to find out what you mean when you say you should get 10%.

A Yes.

Q That is quite clear now, that you charge depreciation, include depreciation as an expense item. Now, would you mind telling me what depreciation is normally in making this type of calculation for your charge, let us say, on a stucco 4-suite apartment?

A 5%.

Q And on a frame apartment that would be the same?

A 8% or 10%. No, it should be higher on a frame.

Q COMMISSIONER HAYES: Let us get back to what you think a return on a man's investment should be. He should have 10% net? You feel he should have 10% net?

A Well, some will do it for less.

Q This is just a problem in figures?

A Yes.

Q Then what percentage would you feel would take care of depreciation, insurance, taxes and so on? Say a $10,000.00 home. Let us leave the apartment part out, say a $10,000.00 home, to take care of taxes, depreciation, all incidentals, insurance and so on, what percentage would be required for that?

A Around 18% or 20%.

Q It is 30% on the investment a man should have in rentals, then, to take care of everything?

A There are essential factors enter into that, sir.

Q Let us consider them all.

A I would say approximately that. I won't say definitely because sometimes in an apartment you can get by with letting things, not doing anything about it, as happened in the rent control period. That is the way any person would get along, they had to let the thing go, and they didn't, for example, they didn't paint as much as they should have, didn't plaster as much as they should have, things got run down. I know of an instance where a trust company was running a place and the plaster fell down in the middle of the room, and the tenants complained about it, the trust company, they were looking after the estate, and they figured the cost of fixing that plaster, so that the tenant complained to the rental board, and they came down and reduced the rent a certain extent until the plaster was fixed. The trust company figured it was not

worth while putting the plaster back, they let the tenants stay there under rent control and took the reduction in rent rather than fix it. That is an instance of what actually happened during the rent control period. The same thing is happening in France. There is an article in Time magazine and Readers Digest where there has been rent control in France since 1919, that the housing conditions in cities and towns in France are the worst in the world. That is one if the big items for pressurizing that rent control, in the long run it doesn't pay.

Q What would you regard as the main factor in these people settling out in the fringe areas?

A Looking for cheaper housing.

Q Looking for cheaper housing?

A That is right.

Q That is the main factor?

A Well, perhaps it might be that they do not like living in a suite or do not like crowded conditions.

Q Would it be that they could not get accommodation?

A Yes. In some instances, yes.

Q How big a factor is that?

A Oh, I would say that would be a fair sized factor.

Q These people percentagewise, would you say 20% or 30%?

A That had difficulty getting accommodation in the city? I would say approximately 60%.

Q 60% of them?

A Would you like any instances?

Q Not in particular. I was just wondering the reasons why these people go out.

A Well, I had a relative, a cousin of mine, come from Vancouver to Calgary, he had four children, he looked all over the city trying to find a place to rent, couldn't get one, and he landed in Montgomery. He got a place for $500.00 down, he got it on the low down payment. He had sold his own place in Vancouver but he only got a down payment on that and he used it to buy a place in Montgomery. That is what he did.

Q Have you any idea what it cost him to finance that?

A Yes. The place cost $3800.00 and it was $800.00 he paid down. I am sorry, $800.00 down and he had $3,000.00 to pay at $50.00 a month.

Q For how long? What year was that deal made in?

A He came in 1948, 1948 or 1949, right in there.

Q That $50.00 a month payment took care of the taxes, did it?

A No, he had to pay his own taxes.

Q That is all, Mr. Chairman.

Q COMMISSIONER DAVIES: I would like to ask Mr. Graham if there was any rental control in Bowness?

A Yes, when the Federal was on. They started building in 1947.

Q Excuse me just a minute. You told us rental control came in in Calgary in 1940?

A Yes.

Q Now, did rental control come in then in Bowness?

A Oh, yes, Bowness was the same. No, January 1st, 1940, and Bowness, I believe, October 10th, 1941, the same as Edmonton.

Q Then the releases from rental control were the same as Calgary, when the Provincial legislation took over?

A Yes.

Q And there was rental control enforced along then, too, I presume?

A Yes.

THE CHAIRMAN: Thank you, Mr. Graham. Apparently there are no more questions and you are excused. May I ask at this point who is going to present the brief on behalf of the Canadian Western Natural Gas Company?

MR. CAMERON STEER: Mr. McPherson is presenting the brief here, and he is here.

THE CHAIRMAN: Mr. McPherson, it is our custom to have a mid-morning break somewhere in the neighbourhood of 11. I have estimated the length of time it will take you to read this brief and I assume we have time enough but I do not want to hurry, and if we need to stay a little longer, we will.

ROSS CODY McPHERSON, having been first duly sworn, examined by Mr. Steer, testified as follows:

Q Mr. McPherson, you are the general manager of Canadian Western Natural Gas Company Ltd.?

A That is correct.

Q And in that capacity you prepared a brief for presentation to this Royal Commission?

A That is right.

Q May the brief be filed, Mr. Chairman?

THE CHAIRMAN: Yes, Exhibit 64-C.

BRIEF OF CANADIAN WESTERN NATURAL GAS COMPANY LIMITED MARKED EXHIBIT No. 64-C.

Q MR. STEER: Just before you begin, Mr. McPherson, would you tell the Commission the authority under which Canadian Western operates in the City of Calgary?

A Canadian Western Natural Gas Company Limited operates in Calgary by virtue of a bylaw passed by the Council of the City of Calgary under the Water, Gas, Electric and Telephone Companies Act.

MR. STEER: We have no copies of that bylaw, Mr. Chairman, but we will get them and see that they are filed with the Commission.

MR. BREDIN: Were they not filed earlier?

COMMISSIONER BLACKSTOCK: No, you undertook at the last Hearing to furnish us with copies of the bylaw.

They were prepared and I thought that had been done.

THE CHAIRMAN: Mr. McGruther is our authority for saying we have not got them.

THE WITNESS: Mr. Chairman and Members of the Commission, I would like to point out before reading this that North Western Utilities and our Company collaborated on a submission to your Commission, consequently you will find the brief of our company very similar to the North Western Utility's submission.

THE CHAIRMAN: If you had seen the other brief was one of the questions I was going to ask.

THE WITNESS:

CANADIAN WESTERN NATURAL GAS COMPANY LIMITED

140 - 6th Avenue West,
Calgary, Alberta,
November 26th, 1954.

Mr. Chairman and Members of the Royal
Commission on Metropolitan Organization:

Gentlemen:

Introduction

(1) In making this Submission, Canadian Western Natural Gas Company Limited has in mind the third term of reference as stated in Order in Council 1005/54, which states the Commission is appointed "to hear representations from any and all interested bodies and to give consideration to any other factors relevant to the establishment of the boundaries, the form of local government, equitable

distribution of costs and the orderly development of the areas".

(2) It is not the purpose of this Submission to support or oppose any suggestions which have been or which may be presented to this Commission. Our Company feels that it is our responsibility to point out to the Commission the effect that a larger metropolitan area might have on the distribution and utilization of natural gas in the suggested area.

Regulation & Inspection

The administration of gas by-laws and the inspection and approval of gas installations and appliances, is a most important matter for the safety of consumers. In a group of contiguous areas such as are now being considered by this Commission, it is highly desirable that there be uniformity of legislation and inspection.

Financial Implications

(1) As a company regulated by the Board of Public Utility Commissioners of the Province of Alberta, Canadian Western Natural Gas Company Limited recovers in the rates charged for natural gas in the various areas only the costs of supplying this service to each area. Since the cost of service varies from area to area, different rate schedules apply within what may be suggested as the boundaries for the larger metropolitan area of the City of Calgary. The following is presented as an indication

of the possible effect of amalgamation on natural gas rates in this area.

(a) Plant Tax

At the present time, in the City of Calgary, Canadian Western Natural Gas Company Limited pays a plant tax, arrived at by applying the yearly mill rate to the assessed value of the Company's Calgary plant. The plant is assessed at $4,769,740 and with the present mill rate of 48 mills, the plant tax totals $228,947. Plant tax is applicable under the franchises with the Towns of Bowness and Forest Lawn, but no plant tax is applicable with respect to the Company's pipe lines in the municipal districts adjacent to Calgary. However, should these communities and areas by amalgamated into one large community and should the Company be required to pay a plant tax on the assessed value of the plant within this larger area, the tax payable by the Company, and therefore the costs on which rates are based, would be increased.

(b) Rate Areas

At the present time, residents of certain areas located adjacent to the corporate limits of the City of Calgary pay for natural gas at rates approximately Thirty (30) per cent higher than those charged in Calgary. The principal reason for these higher rates is that a substantially higher plant investment per

consumer is required, because the population density is lower and further the plant in those areas was installed at a later period when construction costs were greater. Should amalgamation take place, and should the rates be made uniform throughout the entire amalgamated area, these particular consumers would receive substantial reductions in rates, but it would be necessary to offset the resulting loss of revenue by increasing rates slightly for natural gas in the remainder of the area.

(2) As a result of the two preceding items alone, it is estimated that well over $45,000. additional revenue would be required by the Company to meet the increased costs of serving the larger area.

Relocation & Alteration to Natural Gas Facilities

Attached to this Submission is a map which shows the high pressure pipe lines owned and operated by the Company in the general Calgary area. It will be noted that in the area south and west of the present City limits a substantial mileage of high pressure pipe line exists. If the suggested metropolitan area results in a more intensive development of the newly incorporated outlying areas it may involve substantial re-location of pipelines and alterations to the existing grade of the rights-of-way on which pipelines are located. Such changes would involve

considerable expense. It would be necessary to recover these additional costs in the rates charged for natural gas, unless they were recovered by direct payments from the community as a whole.

Conclusion

In conclusion, we would like to reiterate our opening statement, namely, that Canadian Western Natural Gas Company Limited is neither advocating nor opposing the creation of a greater Calgary Metropolitan area but merely presenting to the Commission factors which could affect the natural gas consumers in the area.

Respectfully submitted by,
"R. C. McPherson"
General Manager.

THE CHAIRMAN: Thank you, Mr. McPherson, and at approximately 7 minutes after 11 we shall resume and you will be subject to cross-examination, direct examination, if Mr. Steer wishes, and after that, cross-examination.

(The Hearing then took a short adjournment.)

MR. STEER: I have no questions.

THE CHAIRMAN: Thank you. Questions of the witness, Mr. McPherson, on the part of anybody on the floor?

MR. BREDIN: I have one or two, if I may.

THE CHAIRMAN: Yes.

Q MR. BREDIN: Mr. McPherson, your figures on page 2 under "Plant Tax" does not show a business tax. Do you not pay a business tax?

A I believe we do, Mr. Bredin, but I have not the figure with me for that.

Q I am not sure whether you do or not. The City Act provides for a tax on a franchise but I do not know whether you pay one or not.

A I am not sure.

Q Could you tell me, Mr. McPherson, what is involved in the sentence on page 3,

> "If the suggested metropolitan area results in a more intensive development of the newly incorporated outlying areas it may involve substantial re-location of pipe lines and alterations to the existing grade of the rights-of-way on which pipe lines are located."

Are some of those pipelines not located now at the grade they would be located at if this substantial development took place?

A No, they are not. We find when a district becomes more heavily populated the drainages change. At the moment, in the sparsely populated areas the ditch of the road is the drainage. Once it is built up by streets, --

Q You are just referring to suggestions where if the street

is paved the line must go down lower?

A That is one part of it. The other part is that these are high pressure lines and we do not like to carry too high a pressure in densely populated areas. The distance with which a line can be put to that, the distance the buildings have to be kept away from the pipeline must be satisfied or else the pressure has to be reduced in the pipeline. It means regulating stations further out and larger capacity lines through the populated areas.

Q So there is involved in the question of re-location not only changes of grade but there may also have to be re-locations on a horizontal plane as well?

A That is correct.

Q Then the last line,

> "unless they were recovered by direct payments from the community as a whole,"

is a thing you and the City are now battling about as to who should pay for these changes?

A That is right.

Q In connection with the proposed trunk line system, Mr. McPherson, we are under some apprehension as to what may happen to the City's supply supposing the situation arises where it may become more profitable to export gas than to serve the City. I think it is fair to say that your company through corporate relationships is interested in the export of gas through Western Pipe Lines, is that not

correct, and that you will be interested not only in the supply of gas to the City but in the export of gas as well, and the situation possibly arises whereby the City might be prejudiced, having regard to export of gas?

A I do not believe so, Mr. Bredin. We are not directly interested in supplying gas to export, no. What gas we have in the ground is dedicated to our present system, and through contracts with other producers we have other gas dedicated to our system, but eventually when those contracts run out or if we have to go to the trunk line for additional supply, prior to them running out, we do not know whether it will cost us more or less.

Q You do own wells or mineral rights quite independently from purchases you make from other companies?

A We do some. It is a minor part.

Q It is purchased from Shell now?

A Shell and Madison.

Q And Turner Valley?

A Yes.

Q Can you give us some prognosis as to rates, having regard to the export of gas? Will you continue to purchase gas at the present price, will you be able to do that?

A From our present suppliers?

Q Yes.

A Yes.

Q For a reasonably foreseeable future you will be able to

purchase gas at substantially the same rates?

A Yes.

Q Notwithstanding the fact that export commences?

A That is correct.

Q I suppose it is fair to say that the City and your Company have always had some dispute over the franchises, the City contending on a no franchise other than your rights under the Water, Gas, Telephone Act; the company contending that it has a franchise? That is concerned, Mr. Chairman, with the question as to the re-location of these pipelines. The City's contention is that where a change of rate is made necessary by highway improvement then where it will be required to be after the paving is done, then that change must be borne by the Gas Company, but the question has not yet been resolved.

COMMISSIONER BLACKSTOCK: Of course, it is borne by the consumer through additional price for gas or an increase in the mill rate. It is just a question of who pays it out first.

MR. BREDIN: Yes, but I think it is fair to say there are a larger number of gas consumers than ratepayers, therefore it does distribute the load farther over a greater number of persons. The actual number I have not got.

COMMISSIONER BLACKSTOCK: What is the difference between that conventional franchise such as High River,

Nanton, and so on, and the bylaw under the Water, Gas, Electric Utility Act? I am interested to know why there should be any discussion about whether they have a franchise or not. They do not have the conventional franchise. After all, isn't a franchise merely the conferring of authority to do something?

MR. BREDIN: I think that is right, sir. I can not find any substantial difference unless you go to the question of exclusive franchises. There isn't much difference, except that normally with a franchise there is a franchise tax based on the gross, although that strictly is not part of the definition of a franchise. We always felt we would be better on the gross percentage taxation basis rather than the present taxation basis.

COMMISSIONER BLACKSTOCK: You would need an amendment to the City Act to do that, would you not?

MR. BREDIN: Pardon?

COMMISSIONER BLACKSTOCK: You would require an amendment to the City Act?

MR. BREDIN: Yes, and there are some difficulties in the Dominion-Provincial tax transfer agreement, that section of the City Act is suspended at the present time as well. I do not think there is anything more I want.

Q COMMISSIONER BLACKSTOCK: Mr. McPherson, under what authority do you distribute gas in Montgomery or

Shouldice Terrace?

A Uhder a permit, I guess you would call it, from the Department of Municipal Affairs.

THE CHAIRMAN: Mr. Woodford, do you want to ask a question?

Q MR. WOODFORD: Arising out of Mr. Bredin's cross-examination, I would like to have it perfectly clear just what was meant when you said that your company was connected in some remote way with the Trans Canada Pipe Line system. I believe you meant to say, rather, that some of the officers of your company might through other business connections be connected, is that not true?

A Yes. I misunderstood there. I was thinking in terms of the trunk line. We, as a utility, have shares in it and elect a director to it.

Q My supposition is that your company is in no way interested in export contracts for gas you presently control?

A No. I was talking in terms of trunk line.

Q Any business relationship with the trunk line would be for bringing gas into this area rather than exporting it?

A That is correct.

Q Thank you. Now, there is one other thing I would like to ask while I am here. I suppose you are reasonably familiar with the location of the two pipelines from which our company get their gas supply?

A Yes.

Q I believe they are part of the main transmission system to the City of Calgary, is that not correct?

A That is correct.

Q You spoke of the possibility of having to re-locate certain lines for two reasons which I want to repeat. If I am not mistaken, one of those pipelines is located on a road allowance and the other one is not. Do you foresee any possibility of having to interfere with the supply of gas to our company because of the conditions you mentioned that might force re-location of any of those lines?

A No, I do not.

Q MR. A. F. JOYCE: Mr. McPherson, I would like to refer to page 3, item 2. Mr. Bredin has touched on it, but I believe that at the present time the municipal council does not charge you anything in the way of tax on your pipelines?

A That is correct.

Q But in compensation of that, and I believe you have a fairly heavy installation, I am speaking particularly of the area due south of the City, in the past has it not been necessary from time to time for you to consult Council about getting permission to cross certain highways and to raise and lower your pipelines, sometimes at the request of Council?

A That is right.

Q In the event that Council ask you people to lower a pipe-

line in your right-of-way and you saw fit to comply with their request, who bore the expense of the alteration of that pipeline, the company? Or did you make a charge on the Municipal Council?

A Both things have been done in the past, Mr. Joyce.

Q And in the majority of cases where the pipeline were lowered, change at the request of Council, you people bore the greater amount of that expense at all times, is that not so?

A That is a fair statement.

Q The fact of the matter is, to refer more specifically to one alteration that was made, running straight south of the reservoir for a matter of approximately 2 miles that you did last year, that was rather an expensive undertaking, was it not?

A It certainly was.

Q As far as you were concerned, had the Council not asked for it you would have had no reason whatsoever to have borne that expense, would you?

A That is correct.

Q Yet at the same time, you saw the Council had a perfect right in view of the fact that they wished to rebuild that particular piece of road, you realized that they could not do it unless your pipeline was altered. May I ask you if you have any idea of what lowering that pipeline for 2½ miles cost?

A It was a rather complicated job in that the Valley Oil Pipe Line is right adjacent to ours there. We lowered the two of them and charged them their share. In spite of that, it cost us over $20,000.00.

Q Now, in the event that that portion south of town was annexed into the City, there is liable to be similar cases where there is going to have to be other lines that will be altered, that is, more likely to have to be altered in the very immediate future where it would not be necessary just in the normal development that may take place there, providing it remains a Municipality. The cost would be spread over a greater number of years than what it is liable to be if that is rapidly developed. Do you people feel that you can continue on to give the same rates if you are called upon to have to alter a number of those lines to put in heavier lines without raising your rate to your consumers?

A No, that would certainly be a factor to accelerate a rate increase or application for one.

Q In the past, your associations with the former Councils have been very satisfactory and you have no reason to wish for any change, as far as you people are concerned?

A That is correct.

Q MR. BREDIN: I wonder if I might clear up what Mr. Woodford said in his questioning. Mr. McPherson did answer that a corporate affiliate, Western Pipe Lines, was interested in the export of gas.

A I do not think you can call them an affiliate of ours.

Q I thought you agreed earlier.

MR. STEER: I think Mr. McPherson said he misunderstood your question.

Q MR. BREDIN: Wasn't Mr. Milner the president of Western Pipe Lines?

A That is true.

Q Isn't Western Pipe Lines, and Canadian Western, both affiliated with International Utilities?

A International Utilities has an interest in Western, yes.

MR. MACKINTOSH: I would like to say insofar as Bowness is concerned we have dealt with no public utility, and I may say with no other business firm so nicely as what we have dealt with the Gas Company. They have been very cooperative indeed.

Q Now, Mr. McPherson, you mentioned that your plant in the City of Calgary yields a total of $228,947.00 in taxation to the City. If my memory serves me right, in Bowness your taxes yield approximately $1,000.00. You would not be aware of that?

A $1700.00 would be closer, I think.

Q $1700.00, that may be correct. Would you say that proportionatlly it is smaller than what it is in the City or larger?

A I do not know, offhand.

Q Now, on page 3 you say there is a differential of 30%

for the outlying points. That does not apply to Montgomery or Bowness?

A That is correct.

Q Thank you.

Q MR. BROWN: I just have one question, and I believe it has been partially answered. Now, Mr. McPherson, I would like a direct answer to it. Has your company ever experienced any difficulty with zoning boards or interim control boards, planning boards or City Council in your pipeline passing through their municipalities, in locating that line? I am not talking now about the individual giving you easement over the land, I am talking about the zoning authority in the area. Have you ever experienced any difficulty with any of those zoning boards or planning boards of any description?

A Yes, I have, some.

Q Can you cite an instance for the Commission's information?

A A minor one is the laying-out of planned communities with curved roads and no lanes, no provision for the utility to do it economically. The lay-out is such that the cost of the installation of the gas service would be much higher than it would be with alterations in that lay-out.

Q You have experienced that sort of thing, your operation has become much more expensive because of the type of subdivision that you were entering?

A That is right.

Q Primarily, of course, my question was more to deal with trunk lines passing through such communities as Springbank or any of the outlying areas. I believe you put a line, for example, to Red Deer, or going towards Red Deer up on the west side of the city?

A That is right.

Q You came through Springbank and proceeded north past the western limits of the City?

A That is primarily to get more gas into the northwest section of the City.

Q Did you experience much difficulty there with any of the planning boards in locating that pipeline?

A Oh, I would hardly call it difficulty. They argued for a while but came to a satisfactory agreement.

Q The main difficulty there, I think, if you will recall, at least, I do, because I went out on location with Mr. Hunter of your company, accompanied by other technical people of the Planning Department, the main difficulty was to obtain a set-back on the road allowance, was it not?

A I might add that one part of that we haven't got through yet.

Q Because of the unsettled condition of the general plan?

A That is correct.

MR. BREDIN: I hope, Mr. Chairman, I haven't given the impression, despite the number of disputes we have had with the company, our relations are not

of the best. It would be difficult to improve on the courtesy and efficiency that this company gives the City.

THE CHAIRMAN: I would like to say to Mr. McPherson, this is the first instance, I think, in which the Commission has had any witness with so many character references.

Q MR. MARTIN: Mr. McPherson, I would like to ask a question or two which arise out of the remarks made by Mr. Joyce and also by Mayor Mackintosh of Bowness. First, in relation to Mr. Joyce's remarks, I think he seemed to imply that the costs of distribution south of the City might increase through annexation, chiefly from such things as having to raise or lower the lines due to changes of grades and existing streets. I would like to dispute that, Mr. McPherson, because I think in relation to that sort of thing in their negotiations with the City Canadian Western Natural Gas Company have usually found when major improvements are done we change the streets rather than vice versa. Further, I would like to ask, assuming such an increase in your costs might take place upon annexation, do you think the additional density might offset the increases you might have in having to replace or raise or lower some of your lines?

A That is quite possible, Mr. Martin, except for this, that the bulk of the distribution system in Calgary proper, or a great part of it, was installed years ago at very low

prices and have been partially written off, whereas new construction is at much higher costs and if those communities which we have already established a higher rate in remained as such, that would offset those additional costs.

Q That is assuming that the cost would be reduced upon annexation to be in line with what is presently charged in the City?

A Yes.

Q Referring to the statement made by Mayor Mackintosh, he gave the comparative taxation of your plant installation in the City and in Bowness, and the taxes which you pay. First of all, I would like to say, just using the mathematical figures which were presented, $1700.00 and $228,000.00, I believe the favour would seem to lie in Bowness or the City, whichever way you wanted to look at it. What about your plant installation? I would like to ask whether the plant installations that you have in Calgary are not suitable, would not have to be reproduced in Bowness, say, if Bowness were 15 miles further along? In other words, you have built installations of a capital nature in Calgary which facilitate the extension of your service into Bowness?

A That is correct.

Q Do you think that might account for the difference in the taxation rate you pay? You have got your building down town, which is a substantial building, and presumably that

is figured when you arrive at your figure of $228,000.00 odd, is that correct?

A Yes.

Q You haven't any similar installations of that kind in Bowness?

A No.

Q COMMISSIONER DAVIES: Mr. McPherson, before you sit down would you mind telling me, are there large plotting schemes or subdivisions in Calgary now where there is no provision for lanes?

MR. MARTIN: No, sir, it is a requirement of the City of Calgary that we provide lanes in all subdivisions. I do not know what Mr. McPherson was referring to.

A THE WITNESS: Haddon, Davis and Brown. Actually, it is outside the city limits, I guess, out west.

Q MR. MARTIN: Glendale?

A Yes.

Q They had lanes in most of the blocks?

A Not originally.

Q It was changed later to have lanes in all of the blocks with the exception, I think, of one block.

Q COMMISSIONER BLACKSTOCK: What would you charge the cost of re-locating the line to, capital or maintenance?

A Generally speaking, if it is of any size, Mr. Blackstock, it is capitalized. A small job is sometimes charged to

maintenance.

Q So if it was capitalized it would have the same impact on the rate as if it was charged to operation?

A That is correct.

Q COMMISSIONER DAVIES: Is $20,000.00 an amount considered large enough to capitalize?

A No. I would consider that a large enough amount.

Q COMMISSIONER BLACKSTOCK: With relation to your total rate, an item of $20,000.00 in one year would not have very much effect?

A No, not if you multiply them.

Q If you multiply them it would, of course.

Q COMMISSIONER ROBISON: Mr. McPherson, I refer you to page 2, sub-heading (a) where you speak of the company's Calgary plant in regard to taxation. Would you say for the record what plant?

A The plant consists of all our underground piping, our regulating stations, our buildings and our meters.

Q It is your whole layout in the City of Calgary. Now, your plant tax totals $228,947.00. Apart from the possibility of a business tax, do you pay the City of Calgary anything else?

A No.

Q That comprises the total, $228,947.00. I would like to go into the question of assessment with you, but this is not the time and place. Now, the next sentence commencing

"Plant tax is applicable under....."

and so on. What percentage of your business is in areas not covered by plant tax in this immediate area? Could you give us that. Just roughly would be satisfactory, Mr. McPherson.

A Oh, I am just guessing, but I would say less than 20% at the outside, including industrials.

Q I am surprised it would be that high. You would think around possibly 20% excluding industrials?

A It would be under that. I would say 20% would be high, too.

Q You have covered fairly well, I think, in case the plan of the city for enlargement is implemented, the matter of changing your lines, the possibility of extra expense. Now, I refer you to Section 4 (a) of the Act, which governs your operation, the Electric, Telephone, Gas Companies Act, where you have the right to enter upon private property to do survey work. Have you in this general area, say, in the south, taken advantage of that provision and done any work looking towards the possibility of the implementation of the City's planned enlarged boundaries?

A Water rights-of-way, sir, do you mean?

Q Yes, and putting lines in.

A When we brought the line in from the Jumping Pound Field, that is, a high pressure line, that is the most recent construction we have done, we took out a 100 foot right-of-way there to prevent building close to that line.

Q That would be under the pipeline?

A Yes, approximately.

Q Well, now, in this south area where the City is proposing to take over and has submitted the proposition to this Commission, supposing they took over a very substantial area, has your company been concerned about it, done any work in surveying the possibilities and how you would be affected if it was accomplished?

A Yes.

Q Have you done any work in regard to that?

A Yes.

Q I ask you directly, Mr. McPherson, do you feel if the City's plan is implemented, do you feel your company will be involved either in physical problems, that are rather intense, or whether you would be involved in financial problems to any extent?

A Primarily financial.

Q Is it a matter of great concern to you at the moment?

A No. All we are trying to do is just point out what is in the book if these areas be developed.

Q Well, you will accommodate yourself to it, of course?

A Yes.

Q If it is an accomplished fact?

A Yes.

Q THE CHAIRMAN: This matter of $45,000.00 you mention on page 3, that is to take care of the things

Mr. Robison is asking you about, is it not?

A No.

Q Then this has reference to an area smaller than the City's proposal, has it?

A No, the $45,000.00 is our estimate of plant tax and what we would have to recover in the rates if those outlying rates were reduced on the basis of what is there now.

Q It has no reference to extensions?

A No.

Q COMMISSIONER BLACKSTOCK: The position there, Mr. McPherson, is that the domestic rate in the City is the first 2 Mcf. $2.50 and all over at 26?

A Yes.

Q The rate in areas beyond the City where there is no franchise your rate is $2.50 for the first 2 Mcfs. and all additional at 40?

A That is correct.

Q And you are assuming that if the City boundaries are extended that this 40 cent rate would disappear and the 26 cent rate would be applicable?

A Yes.

Q Thereby you are losing 14 cents and that multiplied by your consumption gives you approximately $45,000.00?

A Yes.

Q COMMISSIONER DAVIES: Is there any other gas company supplying gas to any other industrial or other

consumers in the total Calgary area?

A No, sir.

Q Even for a short distance out from the boundaries there are none?

A No, sir.

Q And under this bylaw this is not an exclusive franchise, in any event,

"Nothing contained shall be deemed to infer any exclusive rights on the company."

A This is required to be approved by the Public Utilities Board.

Q I was thinking about large scale industrials coming in here, not in the City limits, but in the general area, such as the situation we have in Edmonton where we have three suppliers. Now, in the industrial area, Mr. McPherson, are there any negotiations at the present time proceeding with the City of Calgary on the question of this pool in which there is any indication that the Gas Company is seeking an exclusive franchise in the total area?

A No.

Q There are no negotiations with the City of Calgary in connection with this pool, perhaps to convert this into a franchise agreement such as you have in Edmonton?

A No, sir.

Q Would it be convenient to file copies of the franchises

with Forest Lawn and Bowness?

A We could do that.

Q And the permit from the Government in respect to Montgomery? I suppose that is from the Local Improvement District.

A That is right. That latter I am not too sure of. Each extension we do we get a separate permit.

Q I think possibly the first one, that would indicate your right to go in. Would it be possible for you to file, as was done in Edmonton, your rates?

A Yes, sir.

Q And the rate area map?

COMMISSIONER BLACKSTOCK: We have the rate, Mr. Davies, filed on the 30th of November.

Q COMMISSIONER DAVIES: That was filed by the City then. In any event, would you mind filing one so we would have it? If it is filed by the City it gets into the City file because it is their exhibit. On this question of rate areas, Mr. Mackintosh brought out that this reference to 30% at the top of page 3 did not apply to Bowness?

A That is correct.

Q Does it apply to Forest Lawn?

A Yes, it does apply to Forest Lawn.

Q So Forest Lawn and Bowness are in a different position?

A That is right.

Q Supposing the boundaries of this City are substantially

extended, there isn't any reason why the total area should necessarily have the same rates for gas, is there? Let me put it this way: There is no sound economic reason why, if the boundaries of Calgary are very substantially extended, that the whole area should be subject to the same rate, is there?

A No, sir.

Q What I mean by that is, a domestic consumer one and a half miles south of the present City boundary, there is no reason, or if that person is a domestic consumer there, that he should have the same rate as the consumer in the more densely populated part of the City? Is there any economic justification?

A I do not think so. But that is a matter for the Board of Public Utility Commissioners.

Q Why I am asking you this is because, for example, in Edmonton it has been emphasized that in the event of some in the outlying areas coming within a larger amalgamated area there is a suggestion it follows ipso facto the same utility rates, whether it be gas or electricity and presumably other utilities, that the rates should automatically be the same to those in the total area.

A That is the assumption we have made, yes.

Q You have made that assumption?

A Yes.

Q And that is part of the $45,000.00, is it?

A Yes.

Q Is there any particular reason why the municipal districts, the rural municipal districts, do not tax you on the line, or is that because they were not allowed to, or do you know? Mr. Blackstock suggests that presently comes under the tax agreement with the Dominion.

A I believe that is so.

Q I think possibly that is the explanation, but if those areas were brought within the City, the Dominion tax agreement, it presumably would not apply. Finally, speaking about regulation and inspection, can you think of any argument against the desirability of having common gas regulations applicable all over the Province, uniform regulations all over the Province?

A No.

Q Do you think personally that would be a very desirable thing?

A Provided they were detailed enough and strict enough, yes.

Q Would you agree that in respect to industry coming into this area, particularly industry that might use a considerable amount of gas, and that such industry has to meet export competition, that it is desirable that that industry should be left in the position that it should be able to bargain for its supply of gas and make the best deal it could with any gas supplier?

A All suppliers to be under the same jurisdiction?

Q What is that again?

A All suppliers to be under the same jurisdiction? No, sir.

Q Yes?

A I see no objection.

Q That is all, thanks very much.

Q COMMISSIONER HAYES: I am interested in the pipeline itself in the rural areas. The set-back from the road allowance is where you set it back on private property?

A That is correct.

Q But in all instances you have to get a permit from the municipality whether it is on private property or on the road?

A Yes.

Q Do you know of any instances where the municipality has attached strings to it, that you would be required to lower your pipeline if it was necessary to perform some public works in the municipality?

A No, sir, but all of them have the one string, that upon the written request of the Minister we have to move.

Q Lower your pipe?

A Or move it for highway construction.

Q COMMISSIONER BLACKSTOCK: Mr. McPherson, just let us get this clear. Have you got your permit from the municipality or the Department of Public Works?

A I believe we get one from each, sir.

Q I never heard of it before, but you may be right.

A Send the plansto them and have them approved.

Q On road allowances, not private property.

A No, on private property we may not.

COMMISSIONER HAYES: Of course, a road allowance you must get a permit from the municipality. If you are laying pipe either across or on the road allowance, you must get your permit from the municipality, is that right?

A I am not too sure myself on it. I know we get those permits.

Q But my point originally is what took place here. Mr. Joyce spoke about your assuming part of the cost. The point is it is your responsibility to lower the pipe if it is necessary to construct some public works. Have you any recourse if the muncipality demanded you to? Is there any Board you may appeal to?

A Only the Minister, I believe.

Q He could override that if the municipality made that stipulation? Have you any experience in that line?

A We have never appealed to him, no.

Q You have always made satisfactory arrangements with the municipalities?

A Yes.

Q Now, you mentioned the percentage of your business with the City and outside, excluding industrial use. What percentage is that?

A Of our total it would be 4% or 5%, I would say.

Q 4% or 5%. Of this percentage that is outside of the city, would that be to other small localities, or would there be rural residences along the way that get any service?

A Oh, yes, we have farmers along the way. I was just speaking now of the Calgary area. We serve Lethbridge, too, and so on.

Q No, I just meant in the vicinity of Calgary.

A There are what we call farm services.

Q Not very many?

A No.

Q What steps would they take to get servicing?

A Adjacent farmlands?

Q Yes.

A They apply to us. In their case we charge them for the installation. All we do is tap the main for them.

Q Do you have any clause in there that after the farmer pays for it it becomes the property of your company?

A I do not believe so, on the farm service.

Q That is all, Mr. Chairman.

Q COMMISSIONER ROBISON: Just one question which arises out of something else Mr. Hayes said. Mr. McPherson, this matter of the municipality giving permission to cross the road allowance, do the private gas companies report to the Minister of Public Works, or Municipal Works, because the highways in the muncipality are owned by the

muncipality?

A Yes, I believe we supply a plan for them and get a permit.

Q That probably is where this permit business comes in, is that correct?

A Yes.

Q COMMISSIONER HAYES: You submit your whole plan, then you have to visit the local muncipality for permission. I wonder if it is important to clear this up or not. Maybe we can deal with it at 2 o'clock. Do you want to say something about that, Mr. Steer?

MR. STEER: No, I do not.

THE CHAIRMAN: Mr. Lawrence, you made a motion as if you wanted to ask questions.

MR. LAWRENCE: No, I was going to make a statement for the information of the Commission in connection with the Gas Company's main line from Jumping Pound into Calgary. When they came through the Municipal District of Springbank a mutual arrangement was made whereby the Company in its original installation buried its line wherever it crossed road allowances at such a depth it would not interfere with future work on such road allownaces. That was a matter of mutual arrangement. In connection with any farm installations which are made, the Gas Company has got, in fact, to submit plans of those installations and the approval of the Municipal District is endorsed on those plans.

THE CHAIRMAN: Thank you very much.

COMMISSIONER ROBISON: Does the Provincial Government in any way enter the picture?

COMMISSIONER BLACKSTOCK: The Department of Public Works gets from the gas utility company a plan showing they were going from point A to point B. It may be when you come to a municipality you have to deal with them as to the crossing of road allowances. They do not need any permit from point A to point B.

MR. STEER: If the Board wishes, Mr. Chairman, we will find out over the noon hour and submit the information to the Board, if you so desire.

COMMISSIONER BLACKSTOCK: You will find it all in the Pipeline Act of 1953, no reference whatever to a municipal district.

THE CHAIRMAN: So that you do not need any additional information?

COMMISSIONER ROBISON: I do not think it is of sufficient importance to worry over.

MR. BROWN: The only reason we had any trouble with the Gas Company -- I am like the others, the Gas Company are the finest people in the world to deal with -- the only reason we had any discussions with them at all was the fact we wanted to widen this certain street to a certain extent, I can not recall whether it was 180 or 200 feet we were going to require for this major

thoroughfare, when it will be developed I do not know, but we wanted that pipeline far enough to the side of that road that we could go ahead with this widening scheme. That is all that came into our ideas. That is the only instance I know of where there was every any difference of opinion with the Gas Company, and it wasn't anything great.

Q COMMISSIONER HAYES: Just to keep the record kind of clear, isn't the power line and the gas line in exactly the same category?

A To a certain extent.

Q The same procedure as far as the Government is concerned is adopted in the power lines as in your gas lines?

A In all cases you must --

Q -- get the permit from the municipality.

COMMISSIONER DAVIES: The title to all roads in the municipalities is vested in the Crown in the right of the Province. On the other hand, under the Municipal Districts Act the Government has charged the municipalities with certain maintenance of the road. However, I did want to ask you before we adjourn, since you would not be back, when you are filing with us information, would you also file a list of the number of customers and the classifications in the three different centres involved?

MR. STEER: Right, sir.

THE CHAIRMAN: Mr. Yorath filed that in

Edmonton.

Q Mr. McPherson, in thanking you for the information you have given us and the brief, we would like to congratulate you on your public relations.

A Thank you, Mr. Chairman.

Q I think the testimony that has been given here today as to your relationships with your neighbours everywhere is outstanding, and I think you are entitled to congratulations thereon.

MR. BREDIN: Might I say in answer to Mr. Davies' question, we have already planned and have received from the Gas Company, and planned to file, the number of connections and the years in which those connections were made.

COMMISSIONER DAVIES: Are you filing that information with respect to the brief, further in connection with the impact of oil?

MR. BREDIN: Yes.

COMMISSIONER DAVIES: Well, I think we had better have this apart from that.

THE CHAIRMAN: I was going to enquire, is there any representative of the Labour Progressive Party here? Have you any information, Mr. Secretary, as to whether representatives or some person with respect to this brief will appear this afternoon?

THE SECRETARY: Well, I phoned yesterday

to the representative's wife and she said she would let him know he would be required to be here at 2 o'clock.

(The Hearing then adjourned and resumed at 2 P.M.)

2.00 P.M. SESSION

27 January 1955.

THE CHAIRMAN: First of all, I enquire, is there any representative here of the Labour Progressive Party? Then the Labour Progressive Party goes to the foot of the class, so far as the time of the Hearing is concerned.

MR. BROWN: I was hoping, Mr. Chairman, that if the Labour Progressive Party were not here the Community Planning Commission may insert themselves in that space, not that we want to be judged in the same manner, I assure you.

THE CHAIRMAN: You mean the same yardstick. Mr. Brown, if I had known you had that wish I would not have sent Mr. McGruther for Mr. Davis. Mr. Davis understood he was to follow, he was to be in second place this afternoon, but until he returns I hesitate to have you go on.

MR. BROWN: He is in the building, sir.

THE CHAIRMAN: Yes, so I understand. If he is available -- that does not mean that your submission

won't be heard after that. Mr. Davis, you are prepared to go on with your submission at this time, are you? In Mr. McGruther's absence, the Commission had an application from another representative which wishes to present his brief in place or in the space reserved for the Labour Progressive Party, but since I have sent for you, I am inclined to think that you should have the first place now. I have forgotten, but I think you were sworn before, were you not?

MR. DAVIS: Yes, I have been, sir.

EDGAR H. DAVIS, already sworn, recalled, testified as follows:

THE CHAIRMAN: Before you begin, Mr. Davis, may I have this exhibit marked and entered as 65-C.

REPORT ON ELBOW VALLEY TOWN-SITE MARKED EXHIBIT 65-C.

THE WITNESS: Mr. Chairman and Gentlemen, we were to be represented here by counsel but unfortunately the switch has caught our counsel at the Law Convention so I will proceed, if you wish. I won't go over the brief in detail, since it has been submitted, and if there are any parties who are interested we could make available an extra copy for them. I will merely go over the resume in general which was submitted with the brief, and it reads as follows.

THE CHAIRMAN: Mr. Davis, before you proceed

with that, can you tell me if there is in this portfolio at the back a map showing, shall I say, all the southern half, or the City south of the Bow River? I am having difficulty keeping in my mind this proposed townsite.

A The map does show the location.

Q I want to have it open before me as you are talking.

A 731-3. The Chairman and Members of the Board, Royal Commission on Metropolitan Development.

"Dear Sirs:

May we submit, on behalf of our client, Mr. H. Hays, a report covering the proposed townsite of Elbow Valley.

In the process of making an economic study of development costs of land in and adjacent to the City of Calgary, our firm made a report on the area south of the Calgary City limits. Due to the natural geographical and topographical conditions of the site, we found that the area covered in this report had unique economic advantages to development."

I would like to point out to the Commission at that time we were not acting on behalf of Mr. H. Hays or any other party, we were seeking lands which could be developed at the lowest possible cost.

" It was felt that further study was warranted, and from this further study arose the proposed townsite of Elbow Valley.

There are unique features about this area which lead to economic advantages for development:

1. There are no topographical features requiring bridging or culverts.
2. The land is gently rolling and drainage is very, very simple.
3. The distance between the source of water and the Sewage Disposal Plant is very short, due to the southward curve of the Bow River, which leads to low utility costs."

There are no long major large trunks.

"4. The area is overlain with a thick layer of black loam, the finest top-soil anywhere in the region of the City."

The type of soil in this City which costs $150.00 a lot. much of which has to be brought in. This will reflect in an area where you had three and a half, let us say four lots to an acre, all giving you an enhanced value of $500.00 to $600.00 a lot for the land on account of the loam alone. Mr. Hays has been selling top-soil for some considerable time in certain areas where it is many feet thick. Incidental to the area, as far as soil conditions are concerned, there are many areas in and around the City of Calgary where the areas are very gravelly, with heavy boulders, which leads to high utility costs, areas such as Bowness and parts of Montgomery. There are other areas

which are underlain to a very shallow depth with rock, and those areas in the odd case lead to such excessive costs of development that in many cases it would cost two and three times the value of the land on a market basis to jackhammer the utilities in alone, so the land in those particular cases has a negative value. As an engineer we look for these very special conditions which require some thought. As you know, all costs are eventually borne by the taxpayers one way or another.

Q Did you say "in and around" or just "around"? Is there such land within the City limits at the present time?

A There are some sections of land within the City limits, yes, that are very expensive to develop, the cost of development varies widely. I could give the Commission an example. We put some utilities in a small community immediately north of the City, a small village, actually, of about 300 people, and a few feet under the ground over about one-third of the town area we ran into a common condition, it is where the rock had dropped within 3 or 4 feet of the surface. I would like to point out that the cost of putting in the utilities over doubled on that one condition only. In some cases it is almost cheaper to abandon the land. It can cheapen the property by two or three times. There are areas in the City of Calgary where that condition will repeat itself, and it is looking at those conditions from an engineering point of view we felt, on behalf of the firm

I represent, which are professionals in this business, they were not too much interested in developing these areas. That is why we started to look for more economical areas.

"6. Since the land parallels the Bow River on which, for engineering reasons, it is essential to locate petrochemical industries, as, for instance, Strathcona, the distance between the residential area the source of employment is short."

The petrochemical industries and the Manchester subdivision parallel this residential area, leaving the distance very, very short for transportation. The City will get more for its dime carrying a man two and a half miles than they would for twelve miles.

" Essentially, therefore, this reduces the length of arteries, the expense of bridges, subways, etc., and minimizes cross-town traffic."

Incidentally, there are no bridges, there would be a subway or two.

I have added an item or two here, and I call them items numbers 7 to 10.

Q These you are going to read?

A These I will read. This area, and part of which we would like to put into the townsite south of the City limits, has at the present time a rather low mill rate, I think it is 36 mills on a fairly modest assessment. At the present time it is, as I understand it, the only area contiguous

to the city which is reasonably self-supporting at this date.

Q COMMISSIONER DAVIES: Mr. Davis, that is, I presume, largely as a result of the Ammonia Plant assessment, isn't it?

A That is true. And incidentally, in regard to the Ammonia Plant, many of these industries have no choice of location. There is a canal which comes into the Ammonia Plant carrying water. It uses almost 100% capacity of the river, many of these plants. It is not by accident that they land where they are, they land there through technical reasons regardless of the taxation situation, so the Ammonia Plant is there beccause it has to be.

In addition to the river, there are other industrial areas adjacent to the area which my client would like to develop, and that is the Highfield-Manchester-Calgary industrial area. The City has indicated to me that they have had to spend there to provide industrial, exclusive of the interest expenditure, some $18,000,000.00 in two years. This is the fast growing industrial area of the City of Calgary. Now, this area is closer from a residential point of view to the proposed Elbow Valley townsite than any other comparable land in the City or adjacent to the City.

To sum up, then, we feel in all the factors which we have taken into consideration, and exclusive of

of schools, which, Gentlemen, we feel are an economic saw-off, if I might use the term, they cost so much per unit regardless of their location, taking all these physical factors into consideration we feel this area would lead to the lowest cost development of any area in the City of Calgary today. It is for that reason that we would like very much to see the people who would be living within or adjacent to the City take advantage of these unique physical features.

Q The idea is that the area be preserved in its entirety, incorporated in the City?

A Our point of view in regard to incorporation is that it is immaterial to the client whether the area is incorporated within the City or is set up as a separate townsite.

Q The integral nature of the whole area should be preserved, that is your point?

A I feel there are actually advantages to incorporation. My client feels that the area should not be continued to be zoned in its present zoning and we would favour annexation to the City. What we feel should be done to the area, it should be allowed to compete economically and geographically, all other considerations being equal, with other areas of development. No other special considerations in this particular case are required. To that end we feel it would be better it should either be incorporated as a separate townsite or we would favour that it be annexed

to the City of Calgary. What we are primarily interested in is that the community needs an established council and an administrative set-up to provide essential services.

Q COMMISSIONER BLACKSTOCK: What is the set-up now?

A It is set up on a 20-acre basis, agricultural. The situation there is unique, I feel, in that the land has been closely held by a number of fairly large landowners, and that is an accident of the area.

Q COMMISSIONER ROBISON: If you were to come into the City following the City's plan it would still be zoned agricultural, wouldn't it, at the present time?

A At the present time, yes. That is a question that we would like to ask the City when they continue their brief. We would like to ask them if they wish it brought in, and apparently they have planned for annexation of the area, what is their approximate plan in regard to the area. At the present time, due to economic conditions, there is a considerable amount of pressure to chop up these parcels, and speaking not on behalf of Haddon, Davis and Brown, but as the officer of the development company, if I may change my heading. I should say these chopped-up parts are very difficult to handle. We would prefer on the dollar-and-cents basis, and we can offer the best in costs to our clients, by having to develop large areas and not a series of small areas. We know a corral and a horsebarn comes very, very expensive when you want to buy it.

Q COMMISSIONER BLACKSTOCK: Making a purebred animal by crossing it with a C.P.R. engine?

A Essentially, that is it.

MR. BROWN: It is always the best cow in the world.

A THE WITNESS: This last point has already been covered. It is the last paragraph and I will just read it out if you like.

> " Although my client is interested in having a townsite established in the area, his principle objective is the orderly zoning and development of the region. If this same objective may be reached by incorporation within the City limits of Calgary, there may be some delay in development. However, this delay would be preferable to leaving the area in its present zoning classification. It is my opinion, from practical considerations, that if this area remains in its present classification, economic pressures will bring about disorderly development, and the area will lose its future economic advantages for development."

That is an opinion which we have arrived at through a very practical point of view of being connected with these developments.

Q COMMISSIONER ROBISON: If it comes into the City you do not want it zoned agriculturally, is that correct?

A That is correct.

Q You want it on a competitive basis with other areas adjacent to the City?

A On a strictly competitive basis, no other consideration.

Q THE CHAIRMAN: Have you finished now?

A Yes, thank you.

Q Mr. Davis, you will have to forgive me for not being either an engineer or very good interpreter of blueprints and such. Will you refer to the map in front of you and tell me the south boundary and the area about which you are speaking?

A The south boundary of the area would be between Sections, let us say, 7 and 18. That is, from the bottom of the map it would go right across to the Macleod Trail.

Q COMMISSIONER ROBISON: 600 and some odd acres?

A Incorporated in the gray or in the hatched area is about 2200 acres of which the nucleus would be about 700 acres of Mr. Hays' property. Incidentally, it is by a peculiar natural condition thatthe main drop-off is suitable for sewage disposal, that happens to go through Mr. Hays' land, and that would make it the lowest cost area to develop at this time. The hatched area covers a region which is contiguous to the economic utility line.

Q The north boundary would be between 27 and 22, Mr. Davis?

A The north would cross Section 28. The City boundary now is being extended to cover one half of Section 33,

so the area would begin at exactly 1 mile south of the present City boundary. Incidentally, that narrow neck of land in there about a mile and half wide approximately is already partly built up with a fringe development of residences, so there is not very much land in that neck of land which is not already under development. I would like to indicate that that development is not the kind of development which we have in mind, it is definitely a fringe area.

Q THE CHAIRMAN: This is the west half of 33 you are speaking of?

A This is the south half of 33.

Q COMMISSIONER ROBISON: Along the Macleod Trail and in behind?

A Yes, there are some fringe area developments.

Q That is, this side of the tracks?

A Yes. Those fringe areas, incidentally, are continuing to grow. When we consider low cost development, I would like to emphasize that we are not considering cheap development at all, we are considering the class and type of development which is strictly under the control of the Central Mortgage and Housing Corporation. When we say "low cost development" we say it will be low cost on account of the low expenditure required. We are not considering cheap development at all.

Q THE CHAIRMAN: Having regard to the terms

of reference of this Commission, what, specifically, do you think that we should do or could do?

A We would prefer to see the area in all or in part incorporated within the City limits, or, as a second preference, have it recommended as a separate townsite.

Q Isn't it a fact that the City's proposed plan would already incorporate it?

A As of very recently, that is true.

Q Yes.

A That is true.

Q But when you drew this up that was not the case?

A That was not the case.

Q Now, the fact that the City has incorporated this area in its proposed extension, from that point of view what could this Commission do under its terms of reference?

A Yes, I see your point. Actually, we are quite content to let our case rest.

Q That is what I wondered.

A Yes.

Q Mr. Davis, I think you made the statement that the City had applied to the Public Utilities Board?

A Yes.

Q For the inclusion of this area?

A That is correct. They must have read our brief very carefully.

Q Well, as a matter of fact, I think I might say that the

Commission had reached the same conclusion as you had, that perhaps the matter is out of the hands or will be out of the hands of the Commission before the Commission reports, so while we are very grateful to you for this statement and your assurance that you and your client are willing to have the thing decided in whatever is considered to be in the best interests of the neighbourhood, the community, then I think the Commission perhaps will take its cue from that statement and determine its action in the light of the situation as it is when the Commission makes its report.

A Very good, sir.

Q You see what has happened since you prepared this, and what has happened since the first appearance of the Commission in Calgary, you can quite readily see that the Commission can not make up its mind about anything just yet.

COMMISSIONER ROBISON: You might consider yourself functus officio.

COMMISSIONER DAVIES: Mr. Bredin, would you mind telling us what is the position of the annexation application which you told us last December you intended to proceed with?

MR. BREDIN: Sir, the application has been made, but we require abstracts of title for the whole area and certified copies of all the plans that

exist. Largely the abstracts are what is holding us up at the moment before we can proceed. Mr. Rose, one of the members of the Board of Public Utility Commissioners, is coming to Calgary on Friday and he has asked in a letter if he might discuss this application with me, having regard to certain special aspects there are of it. I do not know exactly what he has in mind.

COMMISSIONER DAVIES: Am I correct in assuming now that when you say you made the application that that is an application just on the extension south?

MR. BREDIN: Just on the extension south, yes, 19½ square miles.

MR. BLACKSTOCK: It does not include this property that is before us at the moment?

MR. BREDIN: Oh, yes, but nothing on the east or north.

COMMISSIONER DAVIES: You did not serve notice on the City of Lethbridge, did you, Mr. Bredin?

MR. BREDIN: No.

COMMISSIONER DAVIES: I would like to draw something to Mr. Davis's attention. In all probability if this Commission got its report completed by the end of June I would think the other members of the Commission would think it was somewhat phenomenal. Then as you know, that report is to the Government, and then the Government has to decide whether or not they are going to act on it

or to what extent it is going to be implemented legislatively. And in the absence of a special session of the Provincial Legislature late in the year 1955, and personally I have no reason for thinking there would be, it means there could not be any legislative action until February 1956, and changes of this nature affecting municipal authorities do not normally come into effect until the end of the year, therefore it would look as if in the normal course of events that there would not be any legislative changes effective until January 1st, 1957.

THE CHAIRMAN: Since you are making a case, let us have it all.

COMMISSIONER DAVIES: That would advance it, then, by six months more, but I have been thinking in terms of what the Province has done, Mr. Chairman, in respect of changing boundaries generally, in respect to the Co-Terminus Boundaries Commission, and in respect to changing boundaries of school divisions over a period of time where it may involve the apportionment of assets and so on. I was under the impression on taxation grounds they left that to take effect on the beginning of the year, but I may be wrong in that respect. In any event, if we put at its earliest on that basis, it would look as if there would not be any legislative changes effective until the 1st of July, 1957.

COMMISSIONER BLACKSTOCK: 1956.

COMMISSIONER DAVIES: That is right. The changes would be passed in the 1956 session and therefore it could possibly be July 1956 or January 1st, 1957, that is correct, isn't it.

Q Now, then, having regard to that, am I correct in presuming that possibly in making your submission here that you have been thinking in terms of having some of this area made available before that for development purposes?

A We did originally, until the City sent in their application. Now, the only reason for being here is to have the privilege of asking the City a couple of questions.

COMMISSIONER DAVIES: Thank you, Mr. Davis. That has cleared up that point.

Q Now, however we look at it from any other point of view, suppose that the City's boundaries are not extended, let us suppose they are not, we do not know whether they will be or not yet, well, then, what would your position be? What would you propose to do under such legislation as we have now as is in effect, and if any changes were made, what would your position be then?

A Our position would be we would prefer a separate townsite, we would prefer a townsite.

Q Well, what steps would you be taking on that score?

A We would take the normal procedure of applying for the area to be set up and zoned as a townsite, and through the regular channels.

Q You would be applying to the local municipal authorities?

A Yes, firstly.

Q And you would end up before the District Planning Commission?

A In Edmonton, yes.

Q The District Planning Commission of Calgary?

A That is true.

Q And then if you got turned down on that, if you got turned down there and did not make any progress there, under existing legislation now, what appeal would you have?

A That would be to the Provincial Planning Commission.

Q The Provincial Town Planning and Advisory Board?

A Yes.

Q And if you got turned down there, that would be through with until such time as you could launch another application?

A Yes.

Q And you are quite prepared and satisfied to leave it this way?

A At the moment, yes.

COMMISSIONER ROBISON: I was wondering, Mr. Chairman, if Mr. Martin wants to ask Mr. Davis any questions?

MR. MARTIN: I was going to suggest, Mr. Chairman, that a lot of the questions Mr. Davis raised this afternoon are covered in the supplementary brief which has been submitted by the Calgary District Planning C

Commission, which will be filed tomorrow morning, particularly with respect to the proposition of separate town versus amalgamation with the City, and also with respect to the zoning question. I think there is a certain amount of misunderstanding over our zoning question, and that stems from the fact that we do not make a practice even within the City of zoning any land other than agricultural until it is actually ready for urban development. In other words, we would not like a set of small chopped-up parcels. They present a difficulty from the point of view of assembling land subsequently, and that is the chief explanation for our 20-acre regulation there. If we keep it in 20-acre parcels it is relatively easy when there is pressure on the land, it is much easier to handle than if it is previously cut up into small parcels. That explains the zoning question.

Now, our supplementary report also goes into an estimated timing, that is, the question of timing for the development of the area to the south, and you will see from the two maps which we have prepared, one on a 5-year basis and one on a longer basis, say, 20 years based on a population projection, that the area proposed for a townsite now is well within the area which we anticipate will be developed in urban type properties within 5 years, so it is quite likely that plans will be going forward within 2 years to start a

subdivision of some of this land, but I wanted to make that question of zoning clear. It is not something we apply just around the City, it is something you apply in the City as well. There is no residential land zoned as such which is now in acreage until it is actually subdivided and the utilities are available for it, because according to present City regulations, it would not make sense inasmuch as building permits are not issued for residences unless they are on sewer and water.

Q COMMISSIONER BLACKSTOCK: During this year and a half or two years, Mr. Davis, you mentioned that economic pressure will bring about this orderly development. Would you extend that and explain it a little more?

A THE WITNESS: Well, take, let us say, a 20-acre site, and we will assume that the land has a value of so many dollars per acre at the present time, a $20,000.00 house on that means to clear that land it is worth twice as much. The house would, in fact, sit --

Q Can not you control that yourself by not selling the land?

A That is strictly true, but economic pressures of holding large acreages of farm land indefinite lengths of time, not knowing when they will be zoned, are pretty great when there are opportunities to sell under present regulations two or three times a day. Two years, however, is a very, very reasonable figure and well within the planning of my client, that is what we consider, and what we did

consider a very reasonable figure. That would not bring about economic pressures as long as the time was fixed or reasonably fixed. These things can not be fixed exactly.

Q At the moment there is very little danger?

A A 2 to 5 year period, no danger, but if it were to be left for 15, 20 year period, economic pressure would dictate.

Q At the moment the land is being used for agriculture, or has been used?

A Yes, the finest priced cattle in the world, as a matter of fact.

COMMISSIONER ROBISON: I would like to say to Mr. Davis I have appreciated this brief, and I would like to congratulate he himself and his firm on the quality of the brief.

A Thank you very much.

THE CHAIRMAN: Normally we would say that the witness was open for cross-examination, but in view of the statements that we have made and this supplementary statement made by Mr. Martin, it seems to me that we should agree with Mr. Davis and say that we are content to leave it at this point.

COMMISSIONER ROBISON: Agreed.

Q COMMISSIONER HAYES: Mr. Chairman, I am interested in this 20-acre plot business. From your standpoint, 20-acre plots are agricultural land?

A THE WITNESS: No, I did not state that,

sir. I am not in a position to define agricultural land. What I am stating is that a 20-acre plot is difficult from an engineering point of view to develop. I appreciate my client has a great deal more than $20,000.00 by many times on 10 acres. That whole area that he has developed on that 10 acres, many times the $20,000.00 figure that I gave, is a complete liability, not worth a nickle. 20-acre plots make it difficult to develop. This planning does not limit to work on very small acreage without going into a very uneconomic rectangular lay-out which reflect on high utility costs, inconvenience, difficulty of assembly and so on.

Q Then are these 20-acre so-called plots that we see, are they detrimental to a scheme such as yours?

A Very detrimental, yes, they are, they are difficult.

Q When an area such as this is contemplated to be annexed to the City, do you have to have unanimous consent of the owners in the area?

A I understand that the legal order is that the City would apply to the Board of Public Utility Commissioners, who then have a Hearing, and the owners at the Hearing would have the opportunity of expressing their views and they would be taken into consideration.

Q Yes, but I am assuming you would have to abide by the majority, would you?

A I understand that is correct.

COMMISSIONER BLACKSTOCK: No.

THE WITNESS: No, I am sorry, I am an engineer.

COMMISSIONER HAYES: What would take place then?

COMMISSIONER BLACKSTOCK: The Board hears evidence for and against and then uses its best judgment as to whether it should be annexed or refused, a judicial hearing and the Board makes up its mind just as this Commission will have to make up its mind on the mass of evidence.

COMMISSIONER ROBISON: And the Board's ruling is final.

COMMISSIONER HAYES: And if you apply for 10 sections the Board will cut it down to 8?

COMMISSIONER BLACKSTOCK: No, you would have to give them what they want or refuse their application.

Q COMMISSIONER HAYES: You mentioned about industry. Is it in this area that industry to the value of $18,000,000.00 has been erected in the last few years?

A Immediately north within the City limits. The City has developed, and very aggressively developed, an industrial area that is known as the Manchester-Highfield area, and it is within about, oh, a mile and a half or two miles of this land that I am speaking of. Incidentally, if you were to take a compass in the centre of the Manchester-Highfield industrial area and swing that compass in concentric circles most of the land encompassed within

that circle would be my client's land or area within the City already developed.

Q You would think a greater portion of this would be for residential purposes?

A Yes, except highly commercial uses along the highway, it would be principally residential.

Q What is that highly commercial?

A There are special locations along the highway which would be useful, let us say, for motels because the highway parallels the land. It is not intended to put in an industrial area of any size, it is definitely limited. It is principally for business, commercial and for residential use.

THE CHAIRMAN: Thank you very much, Mr. Davis. It would appear now, Mr. Brown, as if you might present your supplementary statement on behalf of the Community Planning Association of Canada.

GEORGE MARSHALL BROWN,

having been first duly sworn, testified as follows:

Q THE CHAIRMAN: Mr. Brown, Mr. McGruther calls my attention to the fact that perhaps we should defer the reading until after the recess, but I have got my copy of the brief immediately in front of me, but it is only a matter of five or six pages?

A That is right. I have lots of copies here, Mr. Chairman.

Q It is Exhibit 66-C.

BRIEF OF COMMUNITY PLANNING ASSOCIATION OF CANADA MARKED EXHIBIT 66-C.

Q THE CHAIRMAN: It is 8 pages, widely spaced. I think you may begin and the Hearing will go on without interruption until you have completed the reading.

A First of all, Mr. Chairman, --

Q Do you prefer to sit?

A No, this is all right. I might say that this brief is really brief. It could have been much lengthier. Considering the fact that I had available all of the statistics and facts presented in the City brief and the District Planning brief, I realized they would be presented and rather left it to them to do so.

COMMISSIONER ROBISON: A brief Gettysburg address now, Mr. Brown.

A THE WITNESS:

FINAL BRIEF OF COMMUNITY PLANNING ASSOCIATION OF CANADA

(CALGARY BRANCH)

TO THE ROYAL COMMISSION ON FRINGE DEVELOPMENT.

Mr. Chairman and Gentlemen:

We again extend to the Commission our thanks and best wishes for success. In our Preliminary Brief we spoke of our organization, its aims and objectives. Our observations at that time:

1) The consciousness of the City of Calgary of the need for planning of the City and its environs;

2) Failure to do anything about it and in the first 30 or 40 years of this century, due to the lack of legislation controlling development in those years;

3) The undesirable trends of development during those years;

4) The Mawson Plan of 1912 and its shelving;

5) The movement of people to the fringe for economic reasons.

6) The problems finally confronting those people in (a) Administration, (b) Public Works, (c) Waste Removal, (d) Health, Welfare and Community Services, (e) Education and others,

all of which required increased taxation which was not available in the new communities.

To those observations, we added our hope that a solution would be found for the problems facing the Calgary District. To this end our contribution to date has been:

1) Co-operation with the Calgary District Planning Commission in a conference to discuss the situation, which incidentally was well attended in the two days of its duration, by individuals and organizations. The Minister of Municipal Affairs, the Honorable Mr. Gerhart, spoke at the last session of that conference.

2) The presentation of a Brief from the Division (Provincial) level of our Association to the Provincial Government, which in part was responsible for the setting up of this Royal Commission, to enquire into the Fringe Development Problem.

ORIGINS OF PRESENT PLANNING PROBLEMS

In the years following 1939, it was evident to some of us, at least, that uneconomic Urban Development was taking place on the fringes of Calgary. This was particularly evident in the area now known as Montgomery, and to a degree in the Villages of Forest Lawn and Bowness. Most of this development was undertaken by persons forced by economic circumstances to go out beyond the control of city building bylaws and codes. A sincere desire to have a home of their own, despite the economics, can hardly be called a fault, but to a few of us it was a danger signal and steps were taken to organize the original Calgary District Regional Planning Commission in an endeavour to control development in the best interests of everyone concerned. It was soon evident that our work as an Association was bearing fruit, although slowly, and in a constrained manner, due to lack of authoritative legislation.

Eventually our Regional Commission had the blessing of the Provincial Planning Authority, and was reorganized into the Calgary District Planning Commission.

Housing has been the concern of Community Planning Association of Canada since the beginning of our organization, especially housing for those people in the low income groups. I can recall at the Inaugural Meeting in Montreal in 1947 a discussion where this point was strongly emphasized. Mr. George Mooney, now Secretary-Treasurer of the Association of Canadian Mayors and Municipalities, who was at that time in charge of U.N.R.R.A., expressed the opinion that "too little thought was given to housing for the low income home-owner and renter". He was not without backing in that gathering. I have mentioned the desire of some people to own a home of their own, but who through force of circumstances go out to the fringes to realize their dreams. It has been noticeable that very little assistance has been forthcoming by the lending institutions to such people. Central Housing and Mortgage Corporation and a few of the mortgage companies have only recently, and it would appear with some reluctance, entered this field in a small way. The result is that development has been spasmodic (as far as the individual is concerned) and building has been undertaken by the individual himself in many cases. The floor area of many homes has been cut to a minimum; poorly planned buildings have been erected in some instances, and lack of full provision for future convenience space is also evident.

While it is true that quite a number of those building in the suburbs did take care to cover these points, much better results could have been obtained with the interest of a lending institution, the customary investigation of plans, and inspection of buildings. Good homes well planned, in a well planned community, are a desirable achievement; that is our organization's objective. We regret that more financial lending assistance was not given in the development of Calgary's fringe area.

While this may be beyond the scope of the Royal Commission, we would urge that "Lending Facilities" be extended to those areas, probably on a long term basis, to ensure that future development be given a better chance to fit into the ideas of good planning with Provincial Government participation in the financing.

While Planning Administration changes were taking place, the building of homes was still going on apace with a somewhat better trend in type of building but lacking, generally, the means for disposal of sewage and the supply of pressured water. It should be noted that while a few commercial ventures had become established in Forest Lawn, the development throughout the Metropolitan Area was largely residential, and the fringe areas served as what is generally spoken of in Planning language, a Dormitory Use. This fact should be borne in mind in considering the Assessment and Taxation Structure of those

communities, since private property is the main source of revenue available.

We propose to present this Brief with as few statistics as possible, knowing full well the value of such statistics, but lacking means for their collection, also knowing that others shall present in their Briefs figures to prove their points.

In dealing with the Physical Problems of the surrounding Municipalities of Calgary, Sewage Disposal and water supply are the primary imperative needs.

Quoting the case of the Hamlet of Montgomery, a few scattered homes, whether of good construction or otherwise, did not present such a great concern, but as development continued at an ever-increasing rate a serious condition has arisen, with some 4,000 persons domiciled in this local Hamlet without the barest of services or utilities.

Garbage Collection and Disposal has been improved somewhat in fringe developments, but it could still be bettered either by ploughing under or better still by incineration. Incineration, of course, could be arranged for in different ways, such as:

1) By agreement with the City of Calgary;

2) By Metropolitan Administrative Financing

(No. 1 could still be applied, or Metropolitan incineration could be undertaken in a separate plant.)

SEWAGE DISPOSAL

While it is recognized that septic tanks and chemical disposals have a value in small settlements of people, in this day and age of modern home conveniences, where more than a few hundred people congregate to build a community, modern methods should be applied.

On the west of the City of Calgary to the north of the Bow River, the Town of Bowness and that part of L.I.D. No. 46, known as Montgomery, and the scattered settlement along the Banff Highway, should be serviced with sewers by:

1) Arrangement with the City of Calgary to handle same through their lines and disposal plant, although the feasibility and the full financial implications of such a scheme are not yet known.

2) Metropolitan financing to the same end.

The only alternative solution for Bowness and Montgomery would be to attempt to supply this service for themselves with a disposal plant to the west of Calgary. The cost to the townships would probably be prohibitive.

To the west of the City and south of the River, annexation by the City of that part and servicing of same seems to be the only means of solving this problem.

Forest Lawn to the east of Calgary is taking steps to handle this problem to some degree, but may in the future have to be included in some Metropolitan

arrangement.

However, at present it would appear that Forest Lawn could, if finances are forthcoming, quite readily find a suitable location for their own disposal plant in arrangement with M.D. of Conrich.

PRESSURED WATER SUPPLY

The fresh water supply for Calgary and District is at present adequate, although the filtered supply is limited by the size of the plant at Glenmore Dam. Extensions to this plant could be used to supply water to Bowness and Montgomery to the west, and it is the opinion of the Community Planning Association of Canada that this would be the most economic method of installation. In view of the recent tests made in Forest Lawn, where it was found that some 17 wells are contaminated, the Town has commenced work upon a pressure water supply of its own. It is understood that the Town will now be in a position to supply residents in the very near future.

ROADS AND THOROUGHFARES

Communities demand roads and streets, and each community must of necessity pay for its own. However, by co-ordinated effort and the laying of good arterial hard-surfaced thoroughfares, maintenance costs could be cut to a lower figure than would be possible with gravel roads. Interior streets should be planned on a narrower basis on

the finished surface, with, however, wider road allowances, in case of future need and a deeper building setback to preserve the traditionally "open" appearance of our residential streets.

FIRE AND POLICE PROTECTION

Fire protection for Montgomery and Bowness could be co-ordinated very readily because of their proximity to each other. Forest Lawn no doubt would require some co-operative help from the City of Calgary.

Police protection for the whole area should be considered on a Metropolitan basis, both for financing and supervision.

PUBLIC TRANSPORTATION

Public transportation is a service which should be built on dependability and on a lower cost basis than owner-driven vehicles. The service should be such that it will encourage the car owner to leave his car at home when going into the central city for shopping or other business reasons; parking being the problem it is today.

This can only be accomplished by a central control or Metropolitan transportation service.

THE SOCIAL PROBLEM

Education - About two-thirds or more of the total tax collection of most communities is spent on education, and we know that costs of modern education are

rising. The practice in the Calgary area is that much of the burden is transmitted from the outer urban dwellers to the School Boards of Calgary. While the students do pay asked-for fees, certain losses do creep in. It would seem then that an authority with wider territorial jurisdiction should be in control, and that financing of same should be collectable on a wider basis.

HEALTH AND CHILD AND FAMILY WELFARE

Clinics have been established in the fringe developments and are doing a reasonably good job under the circumstances but these could and should be expanded. Like everything else, they cost money but the health and welfare of a nation can not be neglected for long. A nation is made up of communities, urban and suburban, rural or otherwise. The old saying, "An ounce of prevention is better than a pound of cure" could very well be applied here.

ADMINISTRATION

Administration of the area at the present time is vested in:

1) The City of Calgary
2) Town of Bowness
3) Town of Forest Lawn
4) M.D. of Springbank
5) L.I.D. No. 46 (Provincial Government).

Each of those have jurisdiction over certain areas described by boundaries and having autonomy only within those boundaries.

We would recommend that the City of Calgary annex those parts of M.D. of Springbank immediately adjacent to the City boundary which have been developed, with the possible addition of such land beyond the development as may be deemed necessary for future protection. This to apply to that area west of the City and south of the River and also to that area south of the City now urbanized and industrialized.

Further, we would recommend that the Towns of Bowness and Forest Lawn, and the incorporated Village or Town of Montgomery (L.I.D. #46) be left as such to administer their own affairs, with the proviso:

1) That a Metropolitan Utilities Control Board be established to direct the provision of:

(a) Main Trunk Sewer Service,

(b) Main Trunk Water Service,

(c) Garbage Collection and Disposal,

(d) Educational Facilities,

(e) Health and Welfare Services,

(f) Road and Thoroughfare Links,

(g) Police Protection,

and the power to collect revenues so to do vested in such Board by enabling legislation.

We would further recommend that since the field of taxation open to such Board would necessarily be confined to private property within the Assessment Rolls of the areas, the Provincial Government consider the possibility of widening that field of taxation revenues, or making grants in order to cover the discrepancy, and, further, that the Provincial Government should at least make low interest loans available on a long term basis for the financing of such works as shall be necessary.

Further, we would recommend that the Calgary District Planning Commission and its member units be empowered to control development, urban or otherwise, to at least 2 miles beyond the now present urban fringe, to prevent, if possible, the recurrence of the movement to the outside, and the repetition of the present problem. As we have heretofore stated, "Orderly development in well planned areas can bring profits, actual and potential."

Respectfully submitted,

"G. M. BROWN"

On behalf of the Community Planning Association of Canada.

Mr. Chairman, I should say here that it is my hope that out of this brief we can be of as much assistance to the Commission as we possibly can.

THE CHAIRMAN: Thank you. We will now take a recess until 3.23.

(The Hearing took a short adjournment.)

THE CHAIRMAN: Now, then, gentlemen, are there questions to be put to Mr. Brown from the floor?

MR. MARTIN: I wonder if I could ask a question or two, Mr. Chairman.

THE CHAIRMAN: Yes, sir.

Q MR. MARTIN: There were two points in your brief, Mr. Brown, which I wanted to ask a few questions on, and one was whether you, as an officer of the Community Planning Association of Canada, have any preference over the view you expressed in here, it is for a Metropolitan form of government, in fact, whether you have preference over that over a complete amalgamation of the Metropolitan Area.

A Yes, I do have a distinct preference for a Metropolitan form of Government, Mr. Martin. If you want me to state my reasons I will do so.

Q I wonder if you would like to tell us.

A Well, in the first instance, I am a great believer, not only in individual rights, but community autonomy. I believe in democracy. I do not believe in the centralization of power of too large an area. The fact that the Metropolitan form of government would allow the Hamlet of Montgomery, if it was organized into a village or town, the Town of Bowness and the Town of Forest Lawn to retain

their respective autonomies so that they might deal with their own affairs appealed to me because of my own belief in democracy. Then, again, if you look at great metropolitan centres such as Montreal, you go down to Montreal and you find that in that city they have 99 aldermen, three different types of aldermen, with three different types of voting on the council; on some questions on council that one type of alderman is allowed to vote while the other two are not allowed to vote, and on other questions two-thirds of the council is allowed to vote and the other third is prohibited from voting, and on some questions all three categories of aldermen are allowed to vote. I do not want to, if I could, go into the detail of what votes they are allowed since it is some time since I did sit in on one of their meetings, but that could be ascertained if the Commission wished the information.

Then, again, if you look at places like the City of Windsor, for example, where they have five or six communities surrounding them all with their own autonomy, you will find that this area around Windsor gets along very nicely, they do not seem to have any very great difficulties other than what we have in ordinary municipal business and so forth and so on.

I should have mentioned before I left Montreal that immediately adjacent to Montreal you will find the City of Verdun with its own

mayor and council and so forth and so on, and yet as to proximity, only those with a knowledge of the area and probably with acute observation powers would notice that you are going out of Montreal into Verdun because the barrier, I believe, is along what they call the aqueduct there or canal, whichever you wish to call it.

Now, I think that is sufficient reason for saying I believe in the Metropolitan set-up.

Q I think perhaps Mr. Brown did not choose a very good place when he chose Montreal, because it is a place where the size of the place has something to do with whether or not you have a completely central form of government around.

A Not in size, but number of people, too.

Q I do not think there is any comparison with the Calgary area. What I am trying to suggest, Mr. Chairman, just because a metropolitan form or divided form of government works in an area like Montreal does not say it is applicable in Calgary in 1955.

A I did not mean that they have a metropolitan form of government in Montreal, they have not. They have an area that contains a great number of people and they have not a metropolitan government, they have a city council government, and to me the thing is cumbersome and unwieldy, rather complicated and complex in all its aspects,

where in the other instance of Windsor you have more or less a metropolitan government and metropolitan planning.

Q Well, we will have more to say about matters of government in our brief. There is one other question. You mentioned the city should have control for extending 2 miles outside its boundaries?

A Well, at least 2 miles, I said.

Q At least 2 miles. Well, we disagree with that, not because we do not feel there should be some sort of control, we do not think any municipality should have any extra-territorial powers, it would lead to what people think would be undemocratic. I would like one more question, too, Mr. Chairman. If, Mr. Brown, assume for a moment a referendum were held, similarly in nature to the other communities which might consider it, do you think it would then be democratic to amalgamate them into the city?

A No, I would not have the world go against the majority of the people.

Q In other words, you think it would be more democratic to have an amalgamation?

A If it was the desire of the people.

Q I refer to a referendum, yes or not, for or against amalgamation, or for or against any other form of government.

A However, there has been, not to my knowledge, anyway, no facts presented here that show conclusively that the

people of those areas want to be annexed by the City of Calgary.

Q But only one of the councils of the Municipalities has been on record as being against it, Mr. Chairman.

Q COMMISSIONER DAVIES: You are not suggesting that it is not possible to have one central city with a population of 300,000 with aldermen elected at large and still not have a thoroughly democratic civic government, are you?

A No.

Q That is all I want.

COMMISSIONER BLACKSTOCK: Just on that point.

Q When I look at your seven powers that are to be conferred upon a metropolitan control board, I wonder what is left for the town council to do?

A Those powers would cover, as I tried to make clear in the brief, for example, in the servicing of sewers or water, the powers would cover the main trunk lines only to the area to be served, the laterals or service lines through the town would be controlled by the jurisdiction of the town council themselves.

Q COMMISSIONER ROBISON: Just in line with this metropolitan business, have you studied the Toronto plan and its history, Mr. Brown?

A I read about the set-up in different publications, Mr. Robison, when it was first--

Q Have you studied the Municipal Report down there?

A No, I have not.

Q Are you aware of the reasons they went into the metropolitan scheme?

A Some of them, yes.

Q It is the outstanding example in Canada today, isn't it?

A Although their situation came up much differently than ours.

Q But it is a metropolitan form of government?

A Yes, that is true.

Q Have you any knowledge as to whether the allegation that the metropolitan form of government in Toronto is breaking down is true or not?

A I wouldn't be a bit surprised had it broken down, Mr. Robison, because development got far beyond what ours is today. That is one of the things that I am hoping that we can avoid. Compared to Toronto our fringe development is small, much smaller in comparison, and we have a lot less communities to deal with. My hope is we can deal with it now when it is this small, before it reaches the magnitude that it did in the Toronto area before something was attempted to be done about it. I believe the animosities and the actual background of the growth of that area has something to do with the breaking down of their metropolitan set-up now, because there were many squabbles for quite a number of years between the municipalities surrounding Toronto and Toronto itself, some asking for annexation and others trying to avoid it, for example.

Q But you have not studied the report?

A Not to any great extent. I have been concerned too much with the development around Calgary to worry very much about what they are doing in other areas, you will understand, but while I saw these things merely in passing and in my occasional readings, I had my own thoughts because politics in some sense did enter into the Toronto situation.

Q MR. MACKINTOSH: Mr. Chairman, I would liked to have had the opportunity of going into this brief a little bit more thoroughly before cross-examining the witness. We have, for instance, the matter of garbage collection stated on page 4. We in Bowness today have a more up-to-date method than the City of Calgary has in the matter that we bulldoze it under the ground and then fill it with suitable material, so that it is forever done away with. Now, we also have suitable police protection, which you mentioned here, and also fire protection in that we at the present time have two engines out there and we cooperate with Montgomery, which has one engine, and there is an arrangement between the two villages or towns so that we get assistance from each other.

A Your equipment, of course, is what, Mr. Mackintosh?

Q We have at the present time -- it does not entirely belong to us -- an up-to-date fire engine provided by the Provincial Government under Civil Defence, but even with the old Studebaker and LaFrance, they are still in pretty

good shape. Now, Mr. Brown, it would appear to me that while theoretically it may be true that a metropolitan utilities control board should be established to direct the the provision of the various things, sewer, water, and so on, yet you do not give in the brief how we are to accomplish those things, where the money is coming from. In other words, in Bowness we are faced with an estimated cost for sewer and water of $1,750,000.00 and our total assessment is only $2,250,000.00. Now, that is the assessment, that is not the return of the mill rate by any means. Now, how could we possibly construct a water and sewage system under a metropolitan utilities board which you speak of here?

A There is only one source in my opinion the slack can be taken up in this financing business, and that is, as has been already stated here, from the senior governments, and the word "government" is plural.

Q You, I think, were present at a certain meeting with Mr. Gerhart, which you mentioned in your brief, if you will remember, and the fact that Bowness and Montgomery were labouring under ancient conditions as far as water and sewage facilities were concerned was mentioned, and at that time his reply to me was, and I have no reason to believe it has changed since, that if Bowness or Montgomery wanted sewer and water systems they would have to pay for them. Have you any reason to believe that the Provincial

Government has changed its attitude?

A Well, here is how I look at it, Mr. Mackintosh. The Provincial Government have been good enough to set up this Royal Commission to enquire into these things. If the Provincial Government had refused to set up this Royal Commission, then it would say to me that the Provincial Government had no concern, had no wish to do anything to do anything for this problem, but since they have set up this Royal Commission it would appear to me, and it is only logical, that the Provincial Government intend to do something about this. That is my reasoning in that regard.

Q I thought you might agree with me that since the Provincial Government, you see, they have a fairly good surplus up there, but yet they must justify the expenditure of that surplus to each and every municipality in the Province of Alberta, and if they take out of their surplus fund a sum of $4,000,000.00 to provide Bowness with the amenities of the City of Calgary, and a lesser amount for Montgomery, I think amounting in all to $3,000,000.00, and similarly to Forest Lawn, the total amount is somewhat close to $8,000,000.00. Do you think they could justify their position to the other municipalities in the Province of Alberta by giving such huge amounts to those three places?

A It doesn't necessarily mean that the Provincial Government would make it all direct grant, Mayor Mackintosh. It might make part of it direct grant, yes, but the other

part could be on a long term basis, possibly as long as 50 or even 60 years, even longer, at low interest rates to allow this community to get back on its feet.

Q Mr. Brown, I say to you, and I think you will believe this, we today have outstanding taxes, a small town such as Bowness, to the extent of $56,000.00. There would be very little hope of ever even returning a portion of the principal, far less any amount of interest to the Provincial Government, no matter how long the debenture might exist.

A If you can not pay your way under the circumstances as I have outlined, I fail to see how you could possibly pay your way annexed to the City of Calgary.

Q All right, now. We have the Canadian Western Natural Gas brief this morning, and they have an assessment of something over $4,000,000.00 in the City of Calgary from which the City derives under the usual taxation dollar, I am not speaking of business tax and so forth, from taxation on their property it yields to the City of Calgary $288,000.00 odd. Now, that represents approximately one-fortieth of the collections of the City of Calgary from other assessments. Now, if Bowness were included in the City of Calgary, you can appreciate that from properties such as the Gas Company's property, the Hudson's Bay and very many other valuable properties in the City, that we would receive a share of that industrial and commercial dollar. Do you agree with that?

A That is true.

Q And that would aid more surely than any grant from a Provincial Government in our financing?

A Depending on how much the Provincial Government were willing to make in a direct grant, especially in the educational field.

Q You say you are a believer in democracy. Knowing you as I do, knowing part of your history, I do believe you are a true democrat, but would you agree with this, that the greater the grants from any government to any community the less autonomy that community has over its affairs?

A I wouldn't say so. It depends on the demand or the amount of Indian giving that there is in the gift.

Q Do you know of the fact, as I think has been shown in Greater Winnipeg, certain areas around the City of Toronto, Montreal, and elsewhere, that there is scarcely in the great Dominion of Canada a satellite town that is not broke today?

A There is scarcely a city in the Dominion of Canada that is not having financial difficulty, including the City of Calgary.

Q Now, then, Mr. Brown, in your brief you at least insinuate that a metropolitan utilities control board by some magic means would be able to distribute the funds of Bowness, Forest Lawn and elsewhere to better advantage than what those communities are able to distribute them themselves?

A No, I did not say that, Mr. Mackintosh.

Q What would be the sense of a metropolitan area utility board?

A The metropolitan utilities board would get its revenues from sources which today are most of them still available to your community, yes, but my assumption is that since the Provincial Government has shown its desire to do something about this with the direct grants, especially in the educational field, would be greatly increased, and not only the Provincial Government in its responsibility would do these things, but I do also note that the Federal Government, in my opinion, has a certain amount of responsibility to communities, not only in Alberta but across Canada, that are in a position that Bowness, Montgomery and Forest Lawn find themselves in. I would draw to your attention, Mayor Mackintosh, that the Federal Government just this year has increased its contribution to the Colombo Plan making a total of $25,000,000.00 which they are putting out of the country to help people, not natives of Canada but natives of other countries, and I would suggest to you that the Federal Government in its responsibility has as much responsibility and more to its own people to keep down subversive elements within our country as they have to outside people.

COMMISSIONER ROBISON: I wonder if I could just interrupt for a moment, both Mayor Mackintosh and Mr. Brown.

Q Now, this brief is a brief of the Community Planning Association of Canada, Calgary Branch, to the Royal Commission on Fringe Development. Now, I assume, Mr. Brown, that on the basis of that that your brief, the integral part of the brief, is directed to planning matters and on the result of your planning studies your recommendations have been based. It is interesting to hear about the Federal Government and the Colombo Plan and the responsibilities of the Provincial Government, but I would think on the basis of your brief, being the Community Planning Association, that the matter should be considered more from a planning viewpoint.

A Well, that is the prime objective, yes.

Q I think we are going too far afield.

A I do not mind if you do not, that is, if the Commission does not.

Q I assume the Commission knows some of this business about the Colombo Plan and some of the other matters.

MR. MACKINTOSH: I think I confined my remarks to purely local matters affecting the Town of Bowness.

Q Now, Mr. Brown, true, I first thought at a brief glance at your brief that you were more interested perhaps in the metropolitan areas board as applied to the City of Calgary and the surrounding area, the setting up of a specific board, and I see from the first reading of your brief that it has to do more with certain areas lying

outside of the City of Calgary, that is your intent, it is not to include the City of Calgary in a metropolitan area board. Am I right in that?

A That is right.

Q So that it only includes the Town of Bowness, the Town of Forest Lawn, the Municipal District of Springbank as it was then, and the Hamlet of Montgomery, those three small communities?

A That is right. Those are the people that I am generally concerned about.

Q And you think that through taking away the present powers to a great degree of those three councils, or four councils, as the case may be, --

A No, I am not taking any powers away from anyone. They would remain as they are.

Q What I can not get through my head is what the use of this metropolitan utilities control board is. They surely must have some powers if they are going to be used, and if they have powers established by legislation, it surely means that some of the autonomy of the councils presently existing must be taken away.

A Some of the financing, yes.

Q Have you considered what reaction or reflection on the mill rate this metropolitan utilities control board would have? In other words, would it be an expensive or non-expensive board to run to administer the affairs in that

portion of water, sewage, garbage, educational facilities and so on? What would be the charge, the additional charge, against the mill rate for so doing?

A I have no idea of that at all, Mayor Mackintosh. I am not a financial wizard. That would have to be determined.

Q There is a matter that perhaps your utilities board might interfere with, hospitalization. At the present time, the Town of Bowness has a rate of 4 mills, the City of Calgary has a rate of, I think, something like 59 mills. If we were to disturb the present arrangement existing between the Calgary Hospitals Board and ourselves we would be paying almost double for hospitalization on a day-to-day basis. In other words, I would be rather afraid of entering too much on behalf of the Town of Bowness in the utilities board, who would be a charge ratherithan a credit to the various communities mentioned. Thank you, Mr. Chairman.

Q MR. BROWNLEE: Mr. Brown, I was interested in your observations in reply to Mr. Martin when you expressed a preference for a metropolitan arrangement rather than one government for the whole area, and would it be fair to say that it is your feeling that if these smaller municipalities had councils of their own it would probably give their ratepayers a greater assurance that their particular problems would be dealt with more fully and probably more rapidly than if they relied on a central council?

A That is the whole idea, that their autonomy would make it possible for them to look after their own affairs and probably have much faster realization of their needs than if they were attached to some central government. Possibly in the beginning with a large central government some attention would be given, because of the publicity and so forth that this sort of thing has. I mean, the investigation of this Commission and the newness of the set-up might entail, but after a while, possibly in a few years, I would be afraid, and this is one of the reasons why I suggest a metropolitan set-up. I would be afraid that those outlying areas would become the orphan children of the family.

Q Thank you, Mr. Brown. Thank you, Mr. Chairman.

MR. BREDIN: I wonder if I could ask Mr. Brown one question.

Q May I just read you a bit, Mr. Brown, from Mr. Gardner, Chairman of the Metropolitan Toronto Council, and then ask and then ask your comments on it. Mr. Gardner says, and this is an excerpt from a speech Mr. Gardner made to the American Planning and Civic Association at Columbus, Ohio:

"In 1909, 1910 and 1912 the City of Toronto annexed three large towns which almost encircled the city. They were the towns of East Toronto, West Toronto and North Toronto. These three major annexations

took place in a relatively short time, and gave rise to extensive administrative difficulties during the reorganization of the expanded municipality. The city taxpayers contended that after each such annexation they paid $2.00 for each $1.00 paid by the taxpayer in the annexed area to bring the municipal services up to the standard which prevailed in the city. The City Fathers came to the conclusion that there would be no more annexations. If that decision had been of temporary duration it would not have made much difference in the long run, but the decision was as final as it was unfortunate."

My question, Mr. Brown, is, are we not in the position now where Toronto was in 1910 to 1912, that perhaps this is going to be a hardship on the taxpayers of the City, but are we not going to be in the position of making an unfortunate decision if we do not realize that annexation must come at some time?

A Toronto realized that at that time annexation was necessary, and they annexed those three portions, they took them in, but it did not offset the problem that they are up against now. This recent annexation and amalgamation of communities down there in the Toronto area is proof of that. Probably all of us in this room may not live to see it, but in the Calgary area the development is going to be such that, that is, if we sllow it to become such, that the

same situation will come up possible 50 or 60 years from now that they were faced with in Toronto. My opinion is this, and again I go back to Montreal and Verdun, you will find that services in Verdun, at least, some of my friends in this area tell me, that their services in Verdun are much better than they are in Montreal, street cleaning and everything else included, and I could visualize at some future date the Town of Bowness and the Village of Montgomery becoming one unit with the river flowing in between, but if we create green belts and separation barriers within our Calgary area, I feel that we can keep this development to such an extent that controlled with the City we will not become one great mass but that we shall retain open spaces therein and natural divisions throughout the whole area. That is my opinion, that we could have a central unit with satellite towns surrounding, each with their own autonomy.

Q MR. BLACKSTOCK: That is very interesting, Mr. Brown. I do not know how many pages of the transcript you built but I did not understand that you answered the question.

A You feel that I did not answer the question?

Q It could be done in a very few words. I wish you would read it.

BY THE REPORTER (reading):

"My question, Mr. Brown, is, are we not in the

position now where Toronto was in 1910 to 1912 that perhaps this is going to be a hardship on the taxpayers of the City, but are we not going to be in the position of making an unfortunate decision if we do not realize that annexation must come at some time?"

Q THE WITNESS: Mr. Chairman, I am sorry if I am being too verbose but I do not feel that I can answer that question with a straight yes or not. I am sorry.

Q MR. BREDIN: I understood Mr. Gardner's point was if they followed this policy of annexation they would not be in the position they are today where strong feelings have been built up in those various municipalities to such an extent that annexation is impossible. In fact, he goes on to say, if I may quote a bit further:

"It is infinitely better if growing cities follow a reasonable policy of annexation of their suburbs instead of permitting the growth of a whole area of 'satellite municipalities' that would provide an orderly expansion for the large cities."

Mr. Gardner was then in a position where he could not go back and get annexation and he was there suggesting or adopting metropolitan form as the next best thing. We are today in the position where we could cure it by annexation. Do you not think it is better that we do that?

A By annexing a great deal of agricultural land in between and the urban development as well?

Q Let us confine it to those built-up areas of Forest Lawn, Bowness and Montgomery. The other may be a different question.

A Even the Town of Bowness and the Town of Forest Lawn have areas that are not built up.

Q Well, what do you say in answer to the question, Mr. Brown?

A Well, I would say no, you would not be in any better position for a number of reasons.

MR. MACKINTOSH: Mr. Chairman, may I ask another very short question?

THE CHAIRMAN: Would it be a short answer.

MR. MACINTOSH:

Q From your reading and study, Mr. Brown, would you agree with the main authorities that we have today that a town or a city must have at least 40% of an industrial tax dollar to exist?

A Yes.

Q COMMISSIONER ROBISON: I want to clear up one matter. This is the Community Planning Association of Canada, Calgary Branch. Are you the chairman of that?

A Yes, I am, at the present moment.

Q How many members has that Association got?

A I do not know exactly right now, but it has somewhere in the neighbourhood of 30 individual members and we have 7 what we call sustaining members.

Q Does this number carry the opinion of all the members of the Community Planning Association of Canada?

A No.

Q Does this reflect just your own ideas?

A Not entirely. Several of the members of the Association were given the brief before it was typed and some of them after it was typed to read.

Q There was no meeting called?

A There was no meeting called to discuss it, no.

Q You wrote the brief yourself?

A That is right. It was more or less forced upon me, Mr. Robison, by the fact that the people that wrote the preliminary brief were not available.

Q Well, this suggestion, and what I am getting at, that the metropolitan form of government for the area under consideration is really your own suggestion and not that of the Calgary Branch of the Community Planning Association?

A Yes, but it was approved by some of those who did read it.

Q But approved in form?

A Yes.

Q COMMISSIONER HAYES: I was wondering what your opinion would be if you say a town or village would have to have 40% of the commercial assessment, how would you regard the most of the villages in this Province who have not got anything like 40%, have they any hope of surviving?

A No, I wouldn't say they haven't any hope of surviving, but most of the villages of the Province have an agricultural basis to them.

Q In what way?

A In that they are trading places for farmers and so forth and so on.

Q But isn't that the commercial assessment, the business people who do that?

A Well, it may be, to some extent, but it is a fact that they go into these smaller towns and places to spend money and so forth and so on. That helps that out, but as far as Bowness and Montgomery are concerned, I have always advocated, I have said it other places than here, that the City of Calgary, instead of grabbing all industry that they possibly can, I think it should be beneficial to the City of Calgary to chase out to those communities certain types of industries that could be taken into those assessment rolls and so help them in their tax structure. I have advocated that on several occasions.

Q That is all.

THE CHAIRMAN: Very well, Mr. Brown. I am assuming that there are no more questions of Mr. Brown. Thank you. Tomorrow at 9.45 we will begin with the supplementary submission from the Town of Forest Lawn to be presented by Mr. Maveety. We expect the attendance of Mr. Whitlaw who distributes power in that town, and this

is to be followed by Mr. De Neve. One of you or both of you, would you be content to have it received as an exhibit on the assurance that it will receive the consideration of the Commission at the proper time?

MR. BROWN: Yes, I will be open for questions later on next week. I feel I sh uld attend the meeting of the District Planning Commission tomorrow.

THE CHAIRMAN: I am sorry that our plans conflicted with yours. You can, I assure you, have time next week. If we have, I can assure you we will give you a chance. As I have intimated before, we have the ambition of finishing the Sittings in Calgary next week.

MR. BROWN: This would be of not great importance. I only wanted to prove that residences can be assets instead of liabilities to a community. I thought there was also an exception to the rule.

THE CHAIRMAN: I remember Commissioner Robison requesting that you have some competent person make a survey, which you have had done and set out in this statement?

MR. BROWN: Yes.

THE CHAIRMAN: Thank you very much. Mr. Robison says that while you have made a good beginning you have not gone quite as far as he would have liked you to go.

MR. BROWN: I have made it up and brought

it before the eyes of an accountant.

COMMISSIONER ROBISON: It is not an economic survey.

MR. MARTIN: I was wondering, Mr. Chairman, if there is any likelihood that the City of Calgary would be expected to begin its supplementary brief tomorrow morning, because we have a meeting of the District Planning Commission at which the budget was to be discussed. I would prefer to be at that meeting. I can make other arrangements if you think the Calgary brief will get under way tomorrow morning.

THE CHAIRMAN: Mr. Martin, I would think you had better leave us your whereabouts. Is this meeting to begin in the morning or in the afternoon?

MR. MARTIN: At 9.30.

THE CHAIRMAN: Is it to be an all-day meeting?

MR. MARTIN: Well, we are hoping it will be through by 12. There is a very large agenda.

THE CHAIRMAN: Well, you have our program before you. We have heard the statement that Mayor Maveety is going to make since the councillor is not to be available, and we have his written statement to be entered in our records, and we have the Forest Lawn Power and Light Company, and the Labour Progressive Party if they wish to. Mr. Martin, it is rather a thin morning.

MR. MARTIN: I will leave word with Mr.

Bredin. If I do not turn up he will let you know where I am.

THE CHAIRMAN: Yes, and you may be withdrawn, if necessary.

COMMISSIONER DAVIES: May I just interject a word. Did I understand you a while back, Mr. Martin, in saying you were filing a supplementary brief from the Calgary District Planning Commission?

MR. MARTIN: It has to do with planning matters indirectly.

THE CHAIRMAN: And it is not here yet?

MR. MARTIN: We try to do these things as short as possible and we have been engaged in this portion of the supplementary brief, which I think is rather longer than the first brief. It is supposed to be a supplementary brief but it took some time in the preparation, as did the other one. We will file the other supplementary planning brief with the Commission tomorrow.

THE CHAIRMAN: When is the Commission going to read it? After you have presented it?

MR. MARTIN: I see by the agenda the Calgary brief comes up first.

THE CHAIRMAN: Well, we were leaving that to the Calgary people. Now, if I judge from what you just said now, that in the orderly development of this

program that the planners came first?

MR. MARTIN: Well, that would be almost a preference of the Royal Commission.

THE CHAIRMAN: In other words, your remarks may be translated into the fact that if a statement is not in your hands you will at least have something to go on with?

MR. MARTIN: Yes.

THE CHAIRMAN: Is there a possibility that Montgomery will go through tomorrow?

MR. SEQUIN: We have written them, we sent a further message to them, we got no answers, so whether we see or hear from Montgomery again is in the lap of the gods. The Shouldice school books are in the hands of the auditors. I haven't seen the chairman in the last day or so and I do not know. It is a contention of the Montgomery brief and also of the Shouldice School.

THE CHAIRMAN: They did not ask for any further opportunity to appear before us, but before Members of the Commission wish certain figures which were at variance in the two reports and Mr. McDonald undertook to do it. He was written and reminded of that and told. I am here to say now that if they do not get in tomorrow they are going to have a hard time.

MR. SEQUIN: The figures have been reconciled, if they have been found correct.

THE CHAIRMAN: You say they have been, we do not know.

MR. SEQUIN: I do not know.

THE CHAIRMAN: Neither do we.

MR. SEQUIN: It just occurred to me that there were certain things I would like brought out.

THE CHAIRMAN: Well, Mr. Sequin, this Commission would be glad to hear any representation even though you may not have written evidence. The Board would be glad to hear any representation you may make, either as an individual or on behalf of any group in Montgomery. All I am saying in the way of throwing restrictions about you is that if there is to be a continuation of the representations on the part of Shouldice Terrace School Board or the Hamlet of Montgomery they should be put in tomorrow because they were notified long enough ago and we want to reserve the first part of the week for consideration of the Calgary material.

MR. SEQUIN: I see. I will see the School Board this evening.

COMMISSIONER ROBISON: I hope they are interested enough to listen to what the Chairman says, because they should be vitally concerned.

MR. SEQUIN: I think we are the problem child in the whole metropolitan area.

COMMISSIONER DAVIES: You are not in that orphanage

out there?

THE CHAIRMAN: We will adjourn until tomorrow.

(The Hearing then adjourned and resumed at 9.45 A.M., Friday, January 28th, 1955.)

: : : : : : : : : :